





**OPEN POWER  
FOR A BRIGHTER FUTURE.**  
WE EMPOWER SUSTAINABLE PROGRESS.



**Interim Financial Report**  
at March 31, 2022

# Enel is Open Power

**POSITIONING**  
Open Power

**VISION**  
Open Power  
to tackle some  
of the world's  
biggest challenges.

**PURPOSE**

**OPEN POWER  
FOR A  
BRIGHTER  
FUTURE.**

WE EMPOWER  
SUSTAINABLE  
PROGRESS.



## MISSION

- Open access to electricity for more people.
- Open the world of energy to new technology.
- Open up to new uses of energy.
- Open up to new ways of managing energy for people.
- Open up to new partnerships.

## PRINCIPLES OF CONDUCT

- Make decisions in daily activities and take responsibility for them.
- Share information, being willing to collaborate and open to the contribution of others.
- Follow through with commitments, pursuing activities with determination and passion.
- Change priorities rapidly if the situation evolves.
- Get results by aiming for excellence.
- Adopt and promote safe behavior and move proactively to improve conditions for health, safety and well-being.
- Work for the integration of all, recognizing and leveraging individual diversity (culture, gender, age, disabilities, personality, etc.).
- Work focusing on satisfying customers and/or co-workers, acting effectively and rapidly.
- Propose new solution and do not give up when faced with obstacles or failure.
- Recognize merit in co-workers and give feedback that can improve their contribution.

## VALUES

- Trust
- Proactivity
- Responsibility
- Innovation



# Contents

## ENEL IS OPEN POWER

4



### REPORT ON OPERATIONS

8

Highlights	10
Foreword	11
Enel organizational model	12
Reference scenario	14
- Economic and energy conditions in the first three months of 2022	14
- Developments in the main market indicators	16
- Electricity and natural gas markets	17
Significant events in the 1st Quarter of 2022	19
Group performance	22
Analysis of the Group's financial position and financial structure	30
Performance by primary segment (Business Line) and secondary segment (Geographical Area)	34
- Thermal Generation and Trading	38
- Enel Green Power	44
- Infrastructure and Networks	50
- End-user Markets	56
- Enel X	60
- Services, Holding and Other	64
Definition of performance indicators	67
Outlook for operations	69

### CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT MARCH 31, 2022

70

Condensed Consolidated Income Statement	73
Statement of Consolidated Comprehensive Income	74
Condensed Consolidated Statement of Financial Position	75
Statement of Changes in Consolidated Shareholders' Equity	76
Condensed Consolidated Statement of Cash Flows	78
Notes to the condensed consolidated financial statements at March 31, 2022	79
Declaration of the officer responsible for the preparation of the Company financial reports pursuant to the provisions of Article 154-bis, paragraph 2, of Legislative Decree 58/1998	108

# 1. Report on Operations







# Highlights

SDG	2022	2021	Change
Revenue (millions of euro) <sup>(1) (2)</sup>	34,958	18,490	89.1%
Gross operating profit (millions of euro) <sup>(2)</sup>	4,446	4,131	76%
Ordinary gross operating profit (millions of euro) <sup>(2)</sup>	4,486	4,199	6.8%
Profit attributable to the owners of the Parent (millions of euro)	1,430	1,176	21.6%
Ordinary profit attributable to the owners of the Parent (millions of euro)	1,443	1,214	18.9%
Net financial debt (millions of euro)	59,130	51,952 <sup>(3)</sup>	13.8%
Cash flows from operating activities (millions of euro)	(707)	2,549	-
Capital expenditure on property, plant and equipment and intangible assets (millions of euro) <sup>(4)</sup>	2,533	2,035	24.5%
Total net efficient installed capacity (GW)	88.1	871 <sup>(3)</sup>	1.1%
7 Net efficient installed renewables capacity (GW)	51.1	50.1 <sup>(3)</sup>	2.0%
7 Net efficient installed renewables capacity (%) <sup>(5)</sup>	57.8%	57.5% <sup>(3)</sup>	0.5%
7 Additional efficient installed renewables capacity (GW) <sup>(6)</sup>	1.08	0.51	-
Net electricity generation (TWh)	59.2	53.7	10.2%
7 Net renewable electricity generation (TWh)	26.8	27.6	-2.9%
9 Electricity distribution and transmission grid (km)	2,247,318	2,233,368 <sup>(3)</sup>	0.6%
9 Electricity transported on Enel's distribution grid (TWh) <sup>(6)</sup>	126.7	126.6	0.1%
End users (no.)	75,414,229	74,478,547	1.3%
9 End users with active smart meters (no.)	45,055,645	44,396,969	1.5%
Electricity sold by Enel (TWh)	79.9	78.8	1.4%
Retail customers (no.) <sup>(6)</sup>	69,640,231	69,310,795	0.5%
- of which free market <sup>(6)</sup>	25,965,050	23,756,361	9.3%
11 Storage (MW)	482	375 <sup>(3)</sup>	28.5%
11 Charging points (no.)	173,156	111,873	54.8%
11 Demand response (MW)	6,650	6,137	8.4%
No. of employees	66,867	66,279	0.9%

(1) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

(2) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

(3) At December 31, 2021.

(4) The figures for the 1st Quarter of 2022 and 2021 do not include €17 million and €20 million, respectively, regarding units classified as "held for sale".

(5) The calculation does not include 531 MW of acquired net efficient installed renewables capacity at March 31, 2022 and 4 MW at December 31, 2021.

(6) The figures for 2021 reflect a more accurate determination of the numbers.

# Foreword

The Interim Financial Report at March 31, 2022 has been prepared in compliance with Article 154-ter, paragraph 5, of Legislative Decree 58 of February 24, 1998, with the clarification indicated in the following section, and in conformity with the recognition and measurement criteria set out in the international accounting standards (*International Accounting Standards* - IAS and *International Financial Reporting Standards* - IFRS) issued by the International Accounting Standards Board (IASB), as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), recognized in the European Union pursuant to Regulation (EC) no. 1606/2002 and in effect as of the close of the period.

Article 154-ter, paragraph 5, of the Consolidated Financial Intermediation Act, as amended by Legislative Decree 25/2016, no longer requires issuers to publish an interim financial report at the close of the 1st and 3rd Quarters of the year. The new rules give CONSOB the power to issue a regulation requiring issuers, following an impact analysis, to publish periodic financial information in addition to the annual and semi-annual financial reports. In view of the foregoing, Enel intends to continue voluntarily publishing an interim financial report at the close of the 1st and 3rd Quarters of each year in order to satisfy investor expectations and conform to consolidated best practice in the main financial markets, while also taking due account of the quarterly reporting requirements of a number of major listed subsidiaries.



# Enel organizational model

## Enel Group Chairman

M. Crisostomo

## Enel Group CEO

F. Starace

## Holding Function



### ADMINISTRATION, FINANCE AND CONTROL

A. De Paoli

### COMMUNICATIONS

R. Deambrogio

### INNOVABILITY

E. Ciorra

### PEOPLE AND ORGANIZATION

G. Stratta

### LEGAL AND CORPORATE AFFAIRS

G. Fazio

### AUDIT

S. Fiori

### GLOBAL PROCUREMENT

F. Di Carlo

### GLOBAL CUSTOMER OPERATIONS

N. Melchiotti

### GLOBAL DIGITAL SOLUTIONS

C. Bozzoli



## Global Business Line



### Global Infrastructure and Networks

A. Cammisecra



### Global Energy and Commodity Management

C. Machetti



### Enel Green Power and Thermal Generation

S. Bernabei



### Enel X Global Retail

F. Venturini



### Global e-Mobility

E. Ripa

## Country and Region



### ITALY

N. Lanzetta

### IBERIA

J. Bogas Galvez

### EUROPE

S. Mori

### AFRICA, ASIA AND OCEANIA

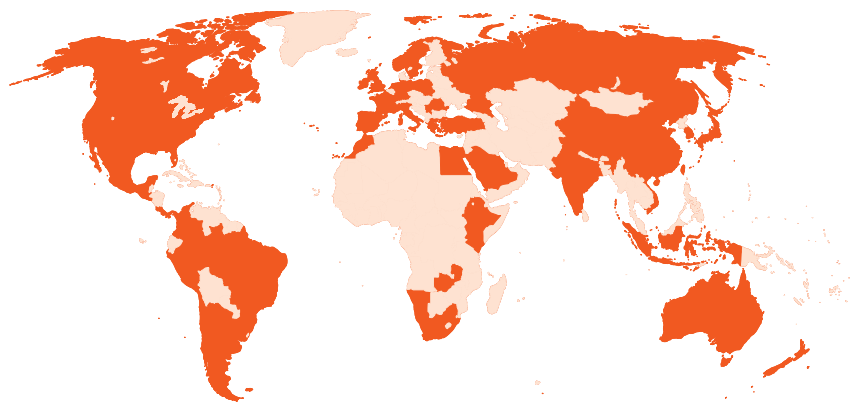
S. Bernabei

### NORTH AMERICA

E. Viale

### LATIN AMERICA

M. Bezzeccheri



The Enel Group structure is organized into a matrix that comprises:

**Global Business Lines**

The Global Business Lines are responsible for managing and developing assets, optimizing their performance and the return on capital employed in the various geographical areas in which the Group operates. In addition, in compliance with safety, protection and environmental policies and regulations, they are tasked with maximizing the efficiency of the processes they manage and applying best international practices, sharing responsibility for EBITDA, cash flows and revenue with the countries.

The Group, which also draws on the work of an Investment Committee<sup>(1)</sup>, benefits from a centralized industrial vision of projects in the various Business Lines. Each project is assessed not only on the basis of its financial return but also in relation to the best technologies available at the Group level, which reflect the new strategic line adopted, explicitly integrating the SDGs within our financial strategy and promoting a low-carbon business model. Furthermore, each Business Line contributes to guiding Enel's leadership in the energy transition and in the fight against climate change, managing the associated risks and opportunities in its area of competence.

The Grid Blue Sky project is being implemented. Its objective is to innovate and digitalize infrastructures and networks in order to make them an enabling factor for the achievement of the "Climate Action" objectives, thanks to the progressive transformation of Enel into a platform-based Group.

**Regions and countries**

Regions and countries are responsible for managing relationships with institutional bodies and regulatory authorities, as well as selling electricity and gas, in each of the countries in which the Group is present, while also providing staff and other service support to the Business Lines. They are also charged with promoting decarbonization and guiding the energy transition towards a low-carbon business model within their areas of responsibility.

The following functions provide support to Enel's business operations:

**Global Service Functions**

The Global Service Functions are responsible for managing information and communication technology activities and procurement at the Group level and managing global customer-related actions.

The Global Service Functions are also focused on the responsible adoption of measures that allow the achievement of sustainable development objectives, in particular in managing the supply chain and developing digital solutions to support the development of enabling technologies for the energy transition and the fight against climate change.

**Holding Company Functions**

The Holding Company Functions are responsible for managing governance processes at the Group level. The Administration, Finance and Control Function is also responsible for consolidating scenario analysis and managing the strategic and financial planning process aimed at promoting the decarbonization of the energy mix and the electrification of energy demand, key actions in the fight against climate change.

(1) The Group Investment Committee is made up of the heads of Administration, Finance and Control, Innovability, Legal and Corporate Affairs, Global Procurement, and the heads of the Regions and the Business Lines.

# Reference scenario

## Economic and energy conditions in the first three months of 2022

### Change in consumer price index (CPI)

%	1st Quarter		
	2022	2021	Change
<b>Italy</b>	<b>6.10</b>	<b>0.58</b>	<b>5.52</b>
Spain	7.87	0.60	7.27
Argentina	51.43	40.08	11.35
Brazil	10.74	5.20	5.54
Chile	8.30	2.95	5.35
Colombia	7.83	2.82	5.01
Peru	6.22	2.50	3.72

### Exchange rates

	1st Quarter		
	2022	2021	Change
Euro/US dollar	1.12	1.21	-7.4%
Euro/British pound	0.84	0.87	-3.4%
Euro/Swiss franc	1.04	1.09	-4.6%
US dollar/Japanese yen	116.35	106.04	9.7%
US dollar/Canadian dollar	1.27	1.27	-
US dollar/Australian dollar	1.38	1.29	7.0%
US dollar/Russian ruble	91.69	74.44	23.2%
US dollar/Argentine peso	106.67	88.62	20.4%
US dollar/Brazilian real	5.22	5.48	-4.7%
US dollar/Chilean peso	808.17	724.18	11.6%
US dollar/Colombian peso	3,907.98	3,556.22	9.9%
US dollar/Peruvian sol	3.80	3.66	3.8%
US dollar/Mexican peso	20.50	20.34	0.8%
US dollar/Turkish lira	13.95	7.41	88.3%
US dollar/Indian rupee	75.24	72.90	3.2%
US dollar/South African rand	15.21	14.96	1.7%

## Economic developments

At the beginning of 2022, the global economic outlook was characterized by improved growth expectations, prompted by a 2021 in which economies began to recover well with the gradual easing of the restrictions imposed to combat COVID-19, which enabled greater mobility between countries. However, the outbreak of war between Russia and Ukraine in the middle of the 1st Quarter of the year triggered a global shock in the supply of a wide range of commodities, especially agricultural and energy products, adversely impacting the world economy, lowering expectations for growth in many countries and potentially adding to the growing inflationary pressures inherited from previous quarters. Considering these factors, year-on-year global GDP growth came to around 4% in the 1st Quarter of 2022.

The United States posted strong economic growth in the 1st Quarter, with GDP expanding growing by 4.1% year-on-year. The US economy was characterized by a resilient labor market, with an unemployment rate of 3.8%. However, various obstacles such as the sharp roll-back of fiscal stimulus measures and the Federal Reserve's restrictive turn in its monetary policy in order to control rising inflation have prevented a stronger recovery in the real economy, and remain risks for performance of the coming quarters. The conflict between Russia and Ukraine has added greater uncertainty to inflation dynamics, which are being driven by rising energy prices that could consequently require an even more restrictive policy stance.

The progressive easing of COVID-19 restrictions in the euro area sustained a significant increase in household consumption, with the economy recovering strongly in the 1st Quarter of 2022, posting GDP growth of 4.9% year-on-year, compared with 4.6% in the last quarter of 2021. However, given the area's heavy dependence on gas imported from Russia, the recovery slowed in the second half of the quarter in the wake of the abrupt jump in the prices of energy and food products engendered by the conflict between Russia and Ukraine. These price increases are adversely impacting both industrial and private consumption, with inflation reaching 6.2% year-on-year in the 1st Quarter of 2022, up from 4.7% in the previous quarter. To contain these inflationary pressures, the European Central Bank modified its monetary policy in its last meeting in

March, anticipating future gradual increases in its official rates, a reduction in monthly net purchases of government and private-sector securities in the coming quarters and the suspension of net asset purchases under the pandemic emergency purchase program at the end of March 2022. In Italy, macroeconomic conditions in the 1st Quarter of 2022 were significantly influenced by the Russia-Ukraine conflict, given the country's considerable dependence on Russian energy resources. The sanctions imposed on Russia by the euro-area countries and the United States, and the increase in commodity prices slowed year-on-year GDP growth to 5.3 in the 1st Quarter (6.2% in the previous period), accompanied by an increase in inflation to 6.1% year-on-year. Similarly, the Spain economy was adversely impacted by the conflict, with prices rising by 7.9% year-on-year in the 1st Quarter of the year.

In Brazil, economic performance in the 1st Quarter was not encouraging, with a year-on-year GDP growth rate of 0.3% in the 1st Quarter, compared with 1.6% in the previous period. Inflation continued to increase, rising to 10.7% year-on-year, inheriting the inflation dynamics of previous quarters. In response, the central bank raised its official rate to its current 11.75%, but this has dampened domestic consumption and, consequently, worsened the macroeconomic outlook.

In Chile, the economy was supported in the 1st Quarter by the recovery in consumption and private investment, albeit at a slower pace, with GDP growing by 7.0% year-on-year. However, inflation in the 1st Quarter remained above the central bank's target of 3%, reaching an 8.3% year-on-year, fueled by a general rise in food and energy prices.

In Colombia, economic growth, with GDP growing by a 5.7% year-on-year in the 1st Quarter, and the balance-of-payment deficit were accentuated by the high prices of energy commodities such as oil and coal, which account for around 40% of the country's exports.

The economy of Peru also registered a moderate recovery, with year-on-year GDP growth of 2.8%, thanks to a gradual normalization of operations in the mining sector, which represents about 1% of GDP. However, the country has been hit by high inflationary pressures, with inflation rising to 6.2% under the impetus of food and energy prices.

## Developments in the main market indicators

	1st Quarter		
	2022	2021	Change
<b>Market indicators</b>			
Average IPE Brent oil price (\$/bbl)	97.3	61.1	59.2%
Average price of CO <sub>2</sub> (€/ton)	83.2	37.4	-
Average price of coal (\$/t CIF ARA) <sup>(1)</sup>	229.0	67.4	-
Average price of gas (€/MWh) <sup>(2)</sup>	95.6	18.5	-
Average price of copper (\$/t)	9,991	8,483	17.8%
Average price of aluminum (\$/t)	3,249	2,093	55.2%
Average price of nickel (\$/t)	28,113	17,533	60.3%

(1) API2 index.

(2) TTF index.

The prices of commodities rose sharply in the 1st Quarter of 2022, primarily due to the tensions in gas markets caused by the escalation of strains between Russia and Ukraine, which led to armed conflict at the end of February. The outbreak of the conflict has worsened expectations for Russian supplies of coal, gas and oil, triggering a sharp rise in the prices of these commodities.

The commodity most affected by this shock was gas, a raw material that Europe largely imports from Russia. Russian gas flows had already slowed in the 2nd Half of 2021, a trend that did not change with the outbreak of the conflict except for the addition of a strong element of uncertainty. The TTF, the European benchmark for gas prices, rose to an average of €95.6/MWh in the quarter, reaching a record high and increasing by 400% compared with the same period of the previous year.

Sharp increases were also recorded in the prices of coal and oil, Russia being one of the main producers of the latter. The increase in coal prices obviously reflects forecasts of additional demand as it can substitute gas, while oil has risen more moderately, thanks to the high degree of globalization of the oil market.

CO<sub>2</sub> prices posted robust growth compared with the 1st Quarter of 2021, reflecting expectations of a large supply deficit in the coming years following the reforms envisaged in Europe. Nevertheless, the outbreak of the Russia-Ukraine crisis momentarily halted the rising trend in the prices of this commodity as it prompted the selloff of certain long positions by a number of hedge funds.

Metal prices experienced considerable increases in the 1st Quarter of 2022. Materials directly linked to the energy transition were especially impacted. Compared with the same period of the previous year, the price of aluminum rose by 55.2%, while nickel recorded an increase of 60.3%. The strong global tensions in metals markets, characterized by low stocks and the inability of supply to meet demand, together with supply chain and international transport issues, underpinned the increase.

The outbreak of the Russia-Ukraine conflict has increased already considerable market tensions and prompted speculative activity by investors, which has led to spikes of extreme volatility. A significant example of this was the suspension of nickel trading on the LME exchange at the beginning of March 2022, following a price jump of 250% in just two trading days.



# Electricity and natural gas markets

## Developments in electricity demand

TWh	1st Quarter		
	2022	2021	Change
<b>Italy</b>	<b>80.4</b>	<b>78.6</b>	<b>2.3%</b>
Spain	64.3	64.3	-
Argentina	37.0	34.2	8.2%
Brazil	158.4	157.2	0.8%
Chile	20.7	19.9	4.0%
Colombia	18.7	17.8	5.1%
Peru	13.7	13.3	3.0%

Source: National TSOs. The figures may change during the year.

In the first three months of 2022, electricity demand in Italy grew by 2.3% compared with the same period of 2021, thanks to a recovery in the services sector, which in the 1st Quarter of 2021 was still impacted by the imposition of lockdowns in various regions of the country. By contrast,

demand in Spain was unchanged compared with 2021. As for Latin America, electricity demand is growing strongly in all the countries in which the Group operates. Brazil is an exception, where demand expanded by less than 1%.

## Electricity prices

	Average baseload price Q1 2022 (€/MWh)	Change in average baseload price Q1 2022 - Q1 2021	Average peakload price Q1 2022 (€/MWh)	Change in average peakload price Q1 2022 - Q1 2021
<b>Italy</b>	<b>248.0</b>	<b>318.9%</b>	<b>272.3</b>	<b>299.9%</b>
Spain	228.4	407.6%	234.6	347.7%

The strong rise in gas and coal prices pushed electricity prices to new all-time highs, with increases over the 1st Quarter of 2021 of over 300% in Italy and over 400% in Spain. This effect was amplified by low output in the re-

newables sector, with hydroelectric generation particularly affected due to persistent drought, which caused water levels to decline in both countries.

## Natural gas demand

Billions of m <sup>3</sup>	1st Quarter			
	2022	2021	Change	
<b>Italy</b>	<b>25.2</b>	<b>25.0</b>	<b>0.2</b>	<b>0.8%</b>
Spain	9.5	8.5	1.0	11.8%

## Natural gas demand in Italy

Billions of m <sup>3</sup>	1st Quarter			
	2022	2021	Change	
Distribution networks	14.0	14.2	(0.2)	-1.4%
Industry	3.4	3.7	(0.3)	-8.1%
Thermal generation	7.2	6.5	0.7	10.8%
Other <sup>(1)</sup>	0.6	0.6	-	-
<b>Total</b>	<b>25.2</b>	<b>25.0</b>	<b>0.2</b>	<b>0.8%</b>

(1) Includes other consumption and losses.

Source: Enel based on data from the Ministry for Economic Development and Snam Rete Gas.

Demand for natural gas in Italy in the first three months of 2022 amounted to 25.2 billion cubic meters, substantially in line with the same period of 2021. At the segment level, industrial consumption fell sharply due to the significant increase in price, which was balanced by the increase in consumption for thermal generation. Distribution networks consumption declined slightly.

In Spain, consumption increased compared with that recorded in the same period of 2021, despite the sharp increase in gas prices.

# Significant events in the 1st Quarter of 2022

## Enel completes acquisition of 527 MW of hydro capacity from ERG

On January 3, 2022, Enel Produzione SpA finalized the acquisition of the entire share capital of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl) from ERG Power Generation SpA for a total of about €1,265 million. Under the terms of the sale agreement, the price could undergo an adjustment, which will be calculated mainly on the basis of the changes in Enel Hydro Appennino Centrale Srl's net

working capital and net financial position, and the level of water reserves in certain basins included in the sale. The plants owned by Enel Hydro Appennino Centrale Srl, which are located in the Umbria, Lazio, and Marche regions, have an installed capacity of 527 MW and an average annual output of around 1.5 TWh.

## Enel places a €2.75 billion "sustainability-linked bond" in three tranches on the eurobond market

On January 10, 2022, Enel Finance International NV, the Dutch-registered finance company controlled by Enel SpA, placed a €2.75 billion "sustainability-linked bond" in three tranches, linked to the achievement of Enel's sustainability objective for the reduction of direct green-

house gas emissions (Scope 1), contributing to the achievement of the United Nations Sustainable Development Goal (SDG) 13 "Climate Action" and in line with the Group's Sustainability-Linked Financing Framework.

## Fitch revises Enel's long-term rating to "BBB+" and makes no change to the short-term rating of "F-2". The outlook is stable

On February 4, 2022, Fitch Ratings announced that it has revised Enel SpA's long-term rating to "BBB+" from the previous "A-". The agency also confirmed Enel's short-term rating at "F-2". The outlook remains stable. According to the agency, the change in Enel's rating

mainly reflects the expected increase in financial leverage in the medium term due to the investment opportunities that have prompted Enel to gradually expand its capital expenditure plans in response to the energy transition.

## Russia-Ukraine conflict

On February 24, 2022, the Russian President announced "a special military operation" in Ukrainian territory, which caused the outbreak of conflict between the two countries and triggered prompt reactions from various countries and international organizations. In particular, the European Commission took action to address the humanitarian crisis engendered by the conflict

in Ukraine, with the deployment of humanitarian aid and emergency aid programs, including increased financial support to Ukraine. During the quarter, negotiations continued between the parties involved to seek a diplomatic solution that will prevent the situation from becoming a threat to international peace and security.

The European Union and other countries (e.g., the United States, the United Kingdom, Australia, Japan, Switzerland, Sweden, Finland and others) have imposed severe sanctions on Russia, which, although of varying effectiveness, have impacted strategic sectors of the Russian economy and the financial sector and imposed personal restrictions on the Russian President and other political and business figures. Financial difficulties have also been associated with an increased level of IT risk, to which businesses and governments are exposed, making it necessary to adopt adequate defense measures and stringent internal controls to safeguard their digital infrastructure.

Considering this background, the Enel Group has activated a task force to carefully monitor the status and evolution of current developments and manage potential risks.

During the quarter, the Enel Group constantly monitored the impact of the international crisis on its operations in Russia (with particular regard to the procurement of materials, services and labor) and evaluating developments in market variables (exchange rates, interest rates), first and foremost taking consideration of the potential effects on performance and financial position of the depreciation of the

ruble against the euro. Furthermore, the Enel Group is also assessing developments associated with the counter-sanctions being deployed by Russia against investments in the country.

During the period, the Enel Group also conducted analyses to assess the indirect impacts of the war in Ukraine on operations, the financial situation and performance in the main euro-area countries in which it operates, with particular regard to shortages of raw materials from the areas affected by the conflict and the generalized increase in commodity prices.

In consideration of the recommendations of national and supranational supervisory authorities<sup>(2)</sup> concerning the issue and in a highly fluid situation, characterized by considerable regulatory uncertainty and high and volatile prices, the Enel Group is carefully monitoring macroeconomic and business variables in order to develop the most accurate estimates of impacts connected with regulatory changes, sanctions and restrictions on assets, as well as on suppliers and contracts applicable to the Enel Group.

## Enel finalizes renewal of partnership with Cinven in Ufnet Latam

On March 24, 2022, Enel X International Srl, a wholly-owned subsidiary of Enel X Srl, closed the agreement signed on December 21, 2021 with a holding company controlled by Sixth Cinven Fund and a holding company controlled by Seventh Cinven Fund. Under the agreement, Enel X International acquired 79.4% of the share capital of Ufnet Latam SLU (Ufnet) from Sixth Cinven Fund and simultaneously sold 80.5% of the company's share capital to Seventh Cinven Fund. Following the transaction, Enel X International therefore indirectly retains a stake equal to 19.5% of Ufnet, renewing the partnership in the company with Cinven. More specifically, Enel X International, which previously in-

directly owned a stake of 20.6% in Ufnet, exercised the call option to acquire the remaining 79.4% of the share capital of Ufnet for €1,320 million. At the same time, Enel X International received €207 million as a distribution of available reserves from Ufnet and simultaneously sold 80.5% of the Company's share capital to Seventh Cinven Fund for €1,186 million.

Under the agreement, Enel X International, in addition to indirectly retaining 19.5% of the share capital of Ufnet, keeps representation on the latter and its holding company's boards of directors, retaining standard minority shareholder protection rights.

(2) ESMA no. 71-99-1864 of March 14, 2022; CONSOB warning notices in the weekly bulletin of March 9-14, 2022 and March 10-21, 2022.

## Hydroelectric concessions

With regard to Italian regulations governing large-scale hydroelectric concessions, most recently modified by the “Simplifications Decree” (Decree Law 135 of 2018 ratified with Law 12 of February 11, 2019), which introduced a series of innovations regarding the granting of such concessions upon their expiry and the valuation of the assets and works connected to them to be transferred to the new concession holder, as well as a number of changes in the matter of concession fees, establishing a fixed and variable component of fees and an obligation to provide free power to public bodies (220 kWh of power for each kW of average nominal capacity of the facilities covered by the concession), the following developments have occurred. Enel Green Power Italia and Enel Produzione have filed suit

seeking to void the individual regional laws implementing these provisions and the subsequent payment notices for the dual-component fees and the monetization of free electricity supplies before the competent judicial authorities (Regional Administrative Court and Regional Water Resources Court of Lombardy, Piedmont and Emilia Romagna). Between the end of 2021 and the 1st Quarter of 2022 a number of the courts petitioned (the Piedmont Regional Administrative Court and the Lombardy Regional Administrative Court) issued rulings deferring their jurisdiction in favor of the Superior Water Resources Court, before which the proceedings must be reallocated. Challenges of those rulings have also been filed with the Council of State.



# Group performance

## Operations

SDG	1st Quarter			
	2022	2021	Change	
	Net electricity generation (TWh)	59.2	53.7	5.5
	of which:			
7	- renewables (TWh)	26.8	27.6	(0.8)
	Total net efficient installed capacity (GW)	88.1	87.1 <sup>(1)</sup>	1.0
7	Net efficient installed renewables capacity (GW)	51.1	50.1 <sup>(1)</sup>	1.0
7	Net efficient installed renewables capacity (%) <sup>(2)</sup>	57.8%	57.5% <sup>(1)</sup>	0.3
7	Additional efficient installed renewables capacity (GW) <sup>(3)</sup>	1.08	0.51	0.57
9	Electricity transported on Enel's distribution grid (TWh) <sup>(3)</sup>	126.7	126.6	0.1
9	End users with active smart meters (no.)	45,055,645	44,396,969	658,676
9	Electricity distribution and transmission grid (km)	2,247,318	2,233,368 <sup>(1)</sup>	13,950
	End users (no.)	75,414,229	74,478,547	935,682
	Electricity sold by Enel (TWh)	79.9	78.8	1.1
	Gas sold to end users (billions of m <sup>3</sup> )	4.0	3.7	0.3
	Retail customers (no.) <sup>(3)</sup>	69,640,231	69,310,795	329,436
	- of which free market <sup>(3)</sup>	25,965,050	23,756,361	2,208,689
11	Demand response capacity (MW)	6,650	6,137	513
11	Charging points (no.)	173,156	111,873	61,283
11	Storage (MW)	482	375 <sup>(1)</sup>	107

(1) At December 31, 2021.

(2) The calculation does not include 531 MW of acquired net efficient installed renewables capacity at March 31, 2022 and 4 MW at December 31, 2021.

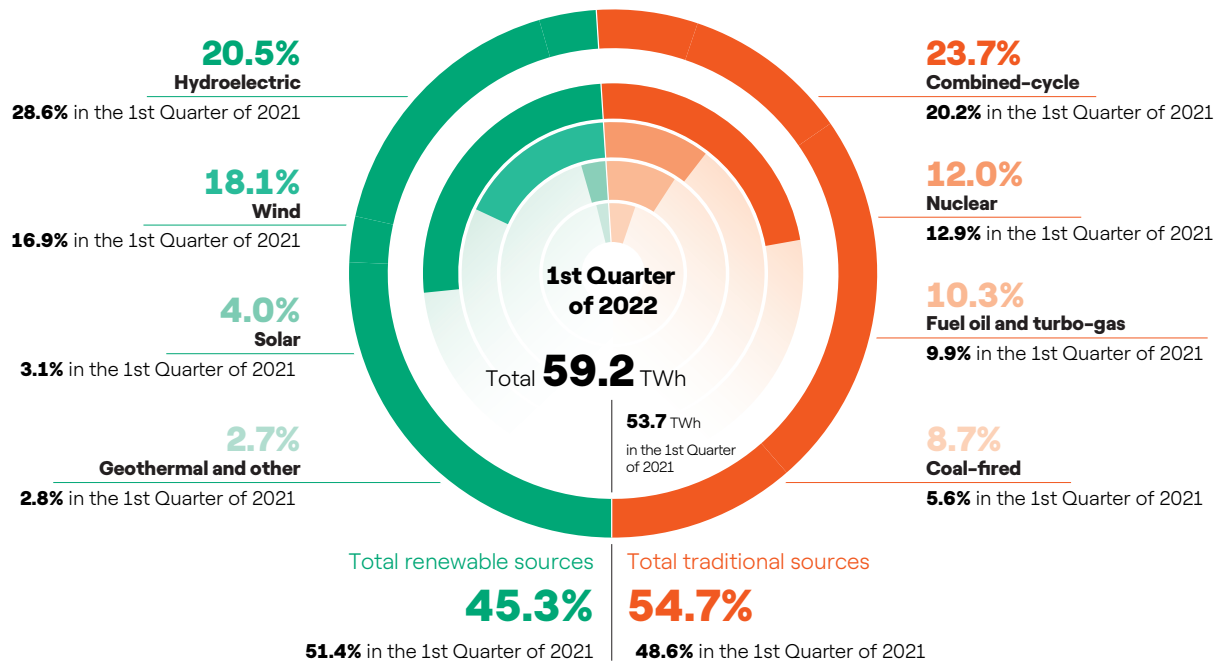
(3) The figures for 2021 reflect a more accurate determination of the numbers.

**Net electricity generated by Enel** in the 1st Quarter of 2022 increased by 5.5 TWh compared with the same period of 2021 (+10.2%), attributable to greater thermal generation (+6.3 TWh), mainly as a result of greater combined-cycle (+3.2 TWh) and coal (+2.1 TWh) generation, mainly in Italy and Spain. The increase in coal-fired output mainly reflected from the need to offset a decline in hydroelectric

generation (-3.2 TWh) due to poor water availability in the period.

Generation from the remaining renewable sources increased by 2.4 TWh compared with the same period of 2021, notably wind generation (+1.6 TWh), mainly in Brazil and North America.

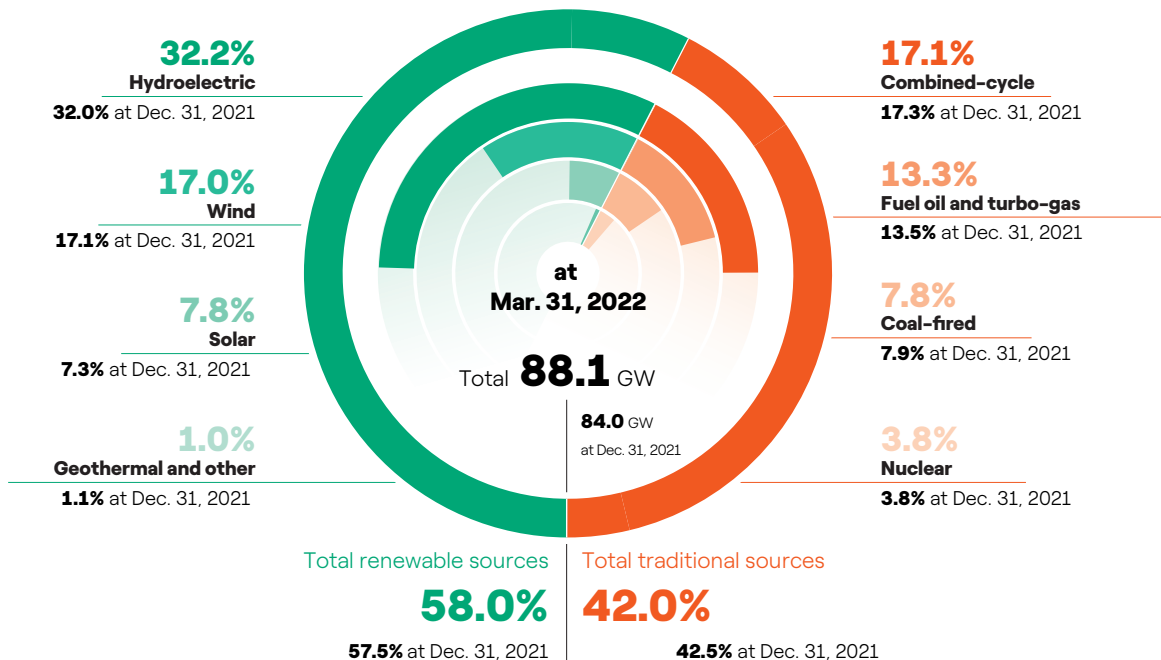
## Net electricity generation by source (1st Quarter of 2022)



The Group's **total net efficient installed capacity** increased by 1 GW in the 1st Quarter of 2022, mainly as a result of the installation of 0.5 GW of new solar capacity and 0.08 GW

of new wind capacity. In addition, 0.5 GW of new hydroelectric plants were acquired in Italy, while a fuel-oil plant of 0.03 GW in Chile was decommissioned.

## Net efficient installed capacity by source (at March 31, 2022)



At the end of March 2022, the Group's **net efficient installed renewables capacity** reached 51.1 GW, 58% of total net efficient installed capacity.

**Electricity transported on the Enel distribution network** in the 1st Quarter of 2022 amounted to 126.7 TWh, up 0.1 TWh (+0.1%) compared with the same period of 2021, mainly in Latin America (+0.3 TWh), partly offset by a decrease in volumes transported in Spain (-0.2 TWh).

**Electricity sold by Enel** in the 1st Quarter of 2022 amounted to 79.9 TWh, an increase of 1.1 TWh (+1.4%) compared with the year-earlier period.

Quantities sold increased in Latin America (+1.4 TWh), mainly in Chile (+1.1 TWh), as well as in Italy (+0.5 TWh) and Romania (+0.3 TWh), partly offset by a decline in volumes in Spain (-1.1 TWh).

**Gas sold by Enel** in the 1st Quarter of 2022 amounted to 4 billion cubic meters, an increase of 0.3 billion cubic meters on the same period of 2021.

**Enel charging points** increased by 61,283 the 1st Quarter of 2022 compared with 2021.

Charging points installed for private citizens posted an increase of 57,719, mainly in North America and Italy, while public charging points increased by 3,564, mainly in Italy and Spain.

The Enel Group **workforce** at March 31, 2022 numbered 66,867, of whom about 54% were employed in companies outside of Italy. The increase of 588 reflects the balance between new hires and terminations (+475) and the change in the consolidation scope (+113), reflecting the acquisition of Enel Hydro Appennino Centrale Srl in Italy.

No.	at Mar. 31, 2022	at Dec. 31, 2021	Percentage of total at Mar. 31, 2022	Percentage of total at Dec. 31, 2021
Thermal Generation and Trading	7,802	7,847	11.7%	11.8%
Enel Green Power	9,432	8,989	14.1%	13.6%
Infrastructure and Networks	33,338	33,263	49.9%	50.2%
End-user Markets	6,157	6,148	9.2%	9.3%
Enel X	3,418	3,352	5.1%	5.1%
Services, Holding and Other	6,720	6,680	10.0%	10.0%
<b>Total</b>	<b>66,867</b>	<b>66,279</b>	<b>100.0%</b>	<b>100.0%</b>



# Group performance

Millions of euro	Ordinary income statement <sup>(1)</sup>				Income statement			
	1st Quarter				1st Quarter			
	2022	2021	Change		2022	2021	Change	
Revenue <sup>(2) (3)</sup>	34,958	18,490	16,468	89.1%	34,958	18,490	16,468	89.1%
Costs <sup>(2)</sup>	31,628	14,210	17,418	-	31,668	14,278	17,390	-
Net results from commodity contracts <sup>(2)</sup>	1,156	(81)	1,237	-	1,156	(81)	1,237	-
<b>Gross operating profit/(loss)<sup>(3)</sup></b>	<b>4,486</b>	<b>4,199</b>	<b>287</b>	<b>6.8%</b>	<b>4,446</b>	<b>4,131</b>	<b>315</b>	<b>7.6%</b>
Depreciation, amortization and impairment losses	1,765	1,561	204	13.1%	1,767	1,566	201	12.8%
<b>Operating profit/(loss)<sup>(3)</sup></b>	<b>2,721</b>	<b>2,638</b>	<b>83</b>	<b>3.1%</b>	<b>2,679</b>	<b>2,565</b>	<b>114</b>	<b>4.4%</b>
Financial income <sup>(3)</sup>	1,952	2,170	(218)	-10.0%	1,970	2,170	(200)	-9.2%
Financial expense	2,381	2,631	(250)	-9.5%	2,381	2,631	(250)	-9.5%
<b>Total net financial income/(expense)<sup>(3)</sup></b>	<b>(429)</b>	<b>(461)</b>	<b>32</b>	<b>6.9%</b>	<b>(411)</b>	<b>(461)</b>	<b>50</b>	<b>10.8%</b>
<b>Share of profit/(loss) of equity-accounted investments</b>	<b>43</b>	<b>31</b>	<b>12</b>	<b>38.7%</b>	<b>43</b>	<b>34</b>	<b>9</b>	<b>26.5%</b>
<b>Pre-tax profit/(loss)</b>	<b>2,335</b>	<b>2,208</b>	<b>127</b>	<b>5.8%</b>	<b>2,311</b>	<b>2,138</b>	<b>173</b>	<b>8.1%</b>
Income taxes	668	666	2	0.3%	661	643	18	2.8%
<b>Profit/(Loss) from continuing operations</b>	<b>1,667</b>	<b>1,542</b>	<b>125</b>	<b>8.1%</b>	<b>1,650</b>	<b>1,495</b>	<b>155</b>	<b>10.4%</b>
<b>Profit/(Loss) from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit for the year (owners of the Parent and non-controlling interests)</b>	<b>1,667</b>	<b>1,542</b>	<b>125</b>	<b>8.1%</b>	<b>1,650</b>	<b>1,495</b>	<b>155</b>	<b>10.4%</b>
Attributable to owners of the Parent	1,443	1,214	229	18.9%	1,430	1,176	254	21.6%
Attributable to non-controlling interests	224	328	(104)	-31.7%	220	319	(99)	-31.0%

(1) The ordinary income statement does not include non-recurring items. The summary of results presents a reconciliation of reported figures with ordinary figures for the following aggregates: gross operating profit, operating profit, and profit for the year (attributable to owners of the Parent).

(2) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

(3) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

## Revenue

Millions of euro	1st Quarter			
	2022	2021	Change	
Sale of electricity	16,990	9,095	7,895	86.8%
Transport of electricity	2,766	2,666	100	3.8%
Fees from network operators	176	225	(49)	-21.8%
Transfers from institutional market operators	(5)	330	(335)	-
Sale of gas	2,823	1,197	1,626	-
Transport of gas	247	237	10	4.2%
Sale of fuels	1,240	241	999	-
Fees for connection to electricity and gas networks	191	184	7	3.8%
Revenue from construction contracts <sup>(1)</sup>	387	199	188	94.5%
Sale of commodities with physical settlement and fair value gain/ (loss) on contracts settled in the period <sup>(2)</sup>	8,983	3,350	5,633	-
Other income	1,160	766	394	51.4%
<b>Total<sup>(1) (2)</sup></b>	<b>34,958</b>	<b>18,490</b>	<b>16,468</b>	<b>89.1%</b>

- (1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.
- (2) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

In the 1st Quarter of 2022, **revenue** increased due to a rise in the sales prices of commodities, greater quantities sold and the associated hedging activities. Other income also

includes the overall impact (€220 million) of the sale of 1.1% of the investment in Ufnet.

## Costs

Millions of euro	1st Quarter			
	2022	2021	Change	
Electricity purchases <sup>(1)</sup>	12,381	4,332	8,049	-
Consumption of fuel for electricity generation	1,774	663	1,111	-
Fuel for trading and gas for sale to end users <sup>(1)</sup>	11,016	3,629	7,387	-
Materials <sup>(1)</sup>	639	418	221	52.9%
Personnel expenses	1,180	1,158	22	1.9%
Services, leases and rentals	4,257	3,972	285	7.2%
Other operating expenses	1,068	627	441	70.3%
Capitalized costs	(647)	(521)	(126)	-24.2%
<b>Total<sup>(1)</sup></b>	<b>31,668</b>	<b>14,278</b>	<b>17,390</b>	<b>-</b>

- (1) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

As with revenue, **costs** in the 1st Quarter of 2022 also increased significantly, mainly as a result of the increase in commodity prices.

## Net results from commodity contracts

**Net results from commodity contracts** entered into primarily for hedging purposes in the 1st Quarter of 2022

improved by €1,237 million, due mainly to fluctuations in market prices.

## Ordinary gross operating profit

Millions of euro	1st Quarter			
	2022	2021	Change	
Thermal Generation and Trading	1,615	442	1,173	-
Enel Green Power	727	1,054	(327)	-31.0%
Infrastructure and Networks <sup>(1)</sup>	1,731	1,773	(42)	-2.4%
End-user Markets	124	912	(788)	-86.4%
Enel X	300	41	259	-
Services, Holding and Other	(11)	(23)	12	52.2%
<b>Total<sup>(1)</sup></b>	<b>4,486</b>	<b>4,199</b>	<b>287</b>	<b>6.8%</b>

(1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

The increase in **ordinary gross operating profit** is mainly attributable to the partial sale of the investment in Ufinet (€220 million) and the integrated management of energy resources. The positive effects deriving from the higher volumes sold at increasing average prices and the optimal

management of instruments hedging energy commodities were offset by higher purchase costs for commodities, attributable in part to a decline in output from hydroelectric plants in Italy and Spain.

## Gross operating profit

**Gross operating profit** amounted to €4,446 million (€4,131 million in the 1st Quarter of 2021). Extraordinary items amounted to a total of €40 million and regarded costs

connected with digitalization and the energy transition and with COVID-19.

Millions of euro	1st Quarter of 2022						
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services, Holding and Other	Total
<b>Ordinary gross operating profit/(loss)</b>	<b>1,615</b>	<b>727</b>	<b>1,731</b>	<b>124</b>	<b>300</b>	<b>(11)</b>	<b>4,486</b>
Energy-transition and digitalization costs	(19)	-	(2)	(4)	(1)	(5)	(31)
COVID-19 costs	(1)	(1)	(4)	-	-	(3)	(9)
<b>Gross operating profit/(loss)</b>	<b>1,595</b>	<b>726</b>	<b>1,725</b>	<b>120</b>	<b>299</b>	<b>(19)</b>	<b>4,446</b>

Millions of euro	1st Quarter of 2021						
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks <sup>(1)</sup>	End-user Markets	Enel X	Services, Holding and Other	Total <sup>(1)</sup>
<b>Ordinary gross operating profit/(loss)</b>	<b>442</b>	<b>1,054</b>	<b>1,773</b>	<b>912</b>	<b>41</b>	<b>(23)</b>	<b>4,199</b>
Energy-transition and digitalization costs	(15)	-	(32)	(4)	-	(4)	(55)
COVID-19 costs	(2)	(2)	(7)	-	-	(2)	(13)
<b>Gross operating profit/(loss)</b>	<b>425</b>	<b>1,052</b>	<b>1,734</b>	<b>908</b>	<b>41</b>	<b>(29)</b>	<b>4,131</b>

(1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

## Ordinary operating profit

Millions of euro	1st Quarter			
	2022	2021	Change	
Thermal Generation and Trading	1,398	219	1,179	-
Enel Green Power	373	744	(371)	-49.9%
Infrastructure and Networks <sup>(1)</sup>	1,019	1,123	(104)	-9.3%
End-user Markets	(249)	627	(876)	-
Enel X	251	1	250	-
Services, Holding and Other	(71)	(76)	5	6.6%
<b>Total<sup>(1)</sup></b>	<b>2,721</b>	<b>2,638</b>	<b>83</b>	<b>3.1%</b>

(1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

**Ordinary operating profit** for 1st Quarter of 2022 increased by €83 million, reflecting the net impact of the factors described above for ordinary gross operating profit and an increase in depreciation and amortization as a result of the

entry into service of new plants built in the last 12 months, as well as an increase in writedowns of receivables, especially in Italy and Brazil.

## Operating profit

Millions of euro	1st Quarter of 2022						
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services, Holding and Other	Total
<b>Ordinary operating profit/(loss)</b>	<b>1,398</b>	<b>373</b>	<b>1,019</b>	<b>(249)</b>	<b>251</b>	<b>(71)</b>	<b>2,721</b>
Energy-transition and digitalization costs	(19)	-	(2)	(4)	(1)	(5)	(31)
Impairment losses	-	-	-	(2)	-	-	(2)
COVID-19 costs	(1)	(1)	(4)	-	-	(3)	(9)
<b>Operating profit/(loss)</b>	<b>1,378</b>	<b>372</b>	<b>1,013</b>	<b>(255)</b>	<b>250</b>	<b>(79)</b>	<b>2,679</b>

Millions of euro	1st Quarter of 2021						
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks <sup>(1)</sup>	End-user Markets	Enel X	Other	Total <sup>(1)</sup>
<b>Ordinary operating profit/(loss)</b>	<b>219</b>	<b>744</b>	<b>1,123</b>	<b>627</b>	<b>1</b>	<b>(76)</b>	<b>2,638</b>
Energy-transition and digitalization costs	(15)	-	(32)	(4)	-	(4)	(55)
Impairment losses	-	-	(5)	-	-	-	(5)
COVID-19 costs	(2)	(2)	(7)	-	-	(2)	(13)
<b>Operating profit/(loss)</b>	<b>202</b>	<b>742</b>	<b>1,079</b>	<b>623</b>	<b>1</b>	<b>(82)</b>	<b>2,565</b>

(1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

## Group ordinary profit

**Group ordinary profit** in the first three months of 2022 amounted to €1,443 million, compared with €1,214 million in the same period of the previous year. More specifically, the increase in operating profit described above was com-

pounded by the net positive effects of finance operations, the results of equity-accounted companies and the reduction in non-controlling interests, including that attributable to the reorganization implemented in Latin America.

## Group profit

Millions of euro	1st Quarter	
	2022	2021
<b>Group ordinary profit</b>	<b>1,443</b>	<b>1,214</b>
Energy-transition and digitalization costs	(6)	(31)
Impairment losses	(1)	(2)
COVID-19 costs	(6)	(8)
Write-down of certain assets related to the sale of the investment in Slovenské elektrárne	-	3
<b>Group profit</b>	<b>1,430</b>	<b>1,176</b>

**Group profit** amounted to €1,430 million in the 1st Quarter of 2022, an increase of €254 million (21.6%) compared with the €1,176 million recorded in the same period of 2021. The table above provides a reconciliation of Group profit

with Group ordinary profit, indicating the non-recurring items and their respective impact on performance, net of the associated tax effects and non-controlling interests.

# Analysis of the Group's financial position and financial structure

## Net capital employed and related funding

The following schedule shows the composition of and changes in net capital employed.

Millions of euro	at Mar. 31, 2022	at Dec. 31, 2021	Change	
<b>Net non-current assets:</b>				
- property, plant and equipment and intangible assets	107,476	102,733	4,743	4.6%
- goodwill	14,566	13,821	745	5.4%
- equity-accounted investments	590	704	(114)	-16.2%
- other net non-current assets/(liabilities)	(3,917)	(4,496)	579	12.9%
<b>Total net non-current assets</b>	<b>118,715</b>	<b>112,762</b>	<b>5,953</b>	<b>5.3%</b>
<b>Net working capital:</b>				
- trade receivables	18,959	16,076	2,883	17.9%
- inventories	3,414	3,109	305	9.8%
- net receivables due from institutional market operators	153	(762)	915	-
- other net current assets/(liabilities)	(8,601)	(10,940)	2,339	21.4%
- trade payables	(17,480)	(16,959)	(521)	-3.1%
<b>Total net working capital</b>	<b>(3,555)</b>	<b>(9,476)</b>	<b>5,921</b>	<b>62.5%</b>
<b>Gross capital employed</b>	<b>115,160</b>	<b>103,286</b>	<b>11,874</b>	<b>11.5%</b>
<b>Provisions:</b>				
- employee benefits	(2,928)	(2,724)	(204)	-7.5%
- provisions for risks and charges and net deferred taxes	(7,553)	(6,548)	(1,005)	-15.3%
<b>Total provisions</b>	<b>(10,481)</b>	<b>(9,272)</b>	<b>(1,209)</b>	<b>-13.0%</b>
<b>Net assets held for sale</b>	<b>363</b>	<b>280</b>	<b>83</b>	<b>29.6%</b>
<b>Net capital employed</b>	<b>105,042</b>	<b>94,294</b>	<b>10,748</b>	<b>11.4%</b>
<b>Total equity</b>	<b>45,912</b>	<b>42,342</b>	<b>3,570</b>	<b>8.4%</b>
<b>Net financial debt</b>	<b>59,130</b>	<b>51,952</b>	<b>7,178</b>	<b>13.8%</b>

**Net capital employed** at March 31, 2022 amounted to €105,042 million and was funded by shareholders' equity attributable to the owners of the Parent and non-controlling interests in the amount of €45,912 million and net financial debt of €59,130 million. At March 31, 2022 the debt/equity ratio was 1.29 (1.23 at December 31, 2021). The increase in net capital employed mainly reflected:

- an increase in property, plant and equipment and intangible assets (€4,743 million), mainly due to capital expenditure in the period (€2,265 million), exchange gains (€2,951 million), the change in the consolidation scope with the acquisition of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl), net of depreciation and amortization for the period equal to €1,477 million;
- an increase in net working capital due to government

measures, the payment of dividends and the macroeconomic environment in the energy market.

In addition, "provisions for risks and charges and net deferred taxes" increased primarily in reflection of greater provisions for environmental compliance costs (€578 million) and an increase in risk provisions for equity investments (€198 million) connected with the decrease in the OCI reserves of Slovenské elektrárne, an equity-accounted company.

**Total equity** at March 31, 2022 increased by €3,570 million, primarily due to the strengthening of foreign currencies against the euro, which led to a positive change in the translation reserve of €2,422 million (of which the share

attributable to owners of the Parent amounted to €1,719 million) and profit for the period of €1,650 million (of which the share attributable to owners of the Parent amounted to €1,430 million). Finally, transactions in non-controlling

interests following the corporate reorganization in Colombia, and more generally in Latin America, led to the recognition of a negative reserve, attributable to owners of the Parent, amounting to €261 million.

## Net financial debt

The Enel Group's net financial debt and changes in the period are detailed in the table below.

Millions of euro				
	at Mar. 31, 2022	at Dec. 31, 2021	Change	
<b>Long-term debt:</b>				
- bank borrowings	12,697	12,579	118	0.9%
- bonds	42,065	39,099	2,966	7.6%
- other borrowings <sup>(1)</sup>	2,881	2,942	(61)	-2.1%
<i>Long-term debt</i>	<i>57,643</i>	<i>54,620</i>	<i>3,023</i>	<i>5.5%</i>
Long-term financial assets and securities	(2,846)	(2,692)	(154)	-5.7%
<b>Net long-term debt</b>	<b>54,797</b>	<b>51,928</b>	<b>2,869</b>	<b>5.5%</b>
<b>Short-term debt</b>				-
Bank borrowings:				-
- current portion of long-term bank borrowings	972	989	(17)	-1.7%
- other short-term bank borrowings	2,115	1,329	786	59.1%
<i>Short-term bank borrowings</i>	<i>3,087</i>	<i>2,318</i>	<i>769</i>	<i>33.2%</i>
Bonds (current portion)	2,833	2,700	133	4.9%
Other borrowings (current portion)	352	342	10	2.9%
Commercial paper	10,631	10,708	(77)	-0.7%
Cash collateral on derivatives and other financing	1,290	918	372	40.5%
Other short-term financial borrowings <sup>(2)</sup>	266	363	(97)	-26.7%
<i>Other short-term debt</i>	<i>15,372</i>	<i>15,031</i>	<i>341</i>	<i>2.3%</i>
Long-term loan assets (short-term portion)	(1,746)	(1,538)	(208)	-13.5%
Loan assets - cash collateral	(5,576)	(6,485)	909	14.0%
Other short-term financial assets	(356)	(356)	-	-
Cash and cash equivalents with banks and short-term securities	(6,448)	(8,946)	2,498	27.9%
<i>Cash and cash equivalents and short-term financial assets</i>	<i>(14,126)</i>	<i>(17,325)</i>	<i>3,199</i>	<i>18.5%</i>
<b>Net short-term debt</b>	<b>4,333</b>	<b>24</b>	<b>4,309</b>	-
<b>NET FINANCIAL DEBT</b>	<b>59,130</b>	<b>51,952</b>	<b>7,178</b>	<b>13.8%</b>
<b>Net financial debt of "Assets held for sale"</b>	<b>752</b>	<b>699</b>	<b>53</b>	<b>7.6%</b>

(1) Includes current financial borrowings included in "Other current liabilities" in the statement of financial position.

(2) Includes other non-current financial borrowings presented under "Other non-current liabilities" in the statement of financial position.

**Net financial debt** amounted to €59,130 million at March 31, 2022, an increase of €7,178 million on December 31, 2021, attributable primarily to: (i) the funding needs connected with investments in the period (€2,550 million, including €17 million reclassified as available for sale), including contract assets; (ii) the payment of dividends in the total amount of €2,120 million, including coupons paid to holders of hybrid

bonds amounting to €30 million; (iii) the payment of €1,196 million (€1,265 million net of cash and cash equivalents acquired of €69 million) for the acquisition in Italy of the renewable plants of ERG; (iv) the decline in operating cash flows, due especially to changes in net working capital; (v) adverse exchange rate developments of €591 million; and (vi) an increase in lease liabilities (€90 million).

At March 31, 2022, **gross financial debt** amounted to €76,102 million, an increase of €4,133 million on December 31, 2021.

### Gross financial debt

Millions of euro	at Mar. 31, 2022			at Dec. 31, 2021		
	Gross long-term debt	Gross short-term debt	Gross debt	Gross long-term debt	Gross short-term debt	Gross debt
Gross financial debt	61,800	14,302	76,102	58,651	13,318	71,969
of which:						
- sustainable financing	31,791	10,488	42,279	28,973	10,474	39,447
Sustainable financing/Total gross debt (%)			56%			55%

More specifically, **gross long-term financial debt** (including the current portion) amounted to €61,800 million, of which €31,791 million in sustainable financing, and breaks down as follows:

- bonds in the amount of €44,898 million, of which €20,790 million in sustainable bonds, an increase of €3,099 million compared with December 31, 2021 due mainly to the multi-tranche issue of a "sustainability-linked bond" of €2,750 million by Enel Finance International in January 2022, structured as follows:
  - €1,250 million fixed rate, maturing in November 2025;
  - €750 million fixed rate, maturing in January 2031;
  - €750 million fixed rate, maturing in January 2035;
- bank borrowings in the amount of €13,669 million, of which €11,001 million in sustainable loans, which increased by €101 million compared with December 31,

2021. In the first three months of 2022, Endesa obtained new sustainable loans amounting to €550 million;

- other borrowings in the amount of €3,233 million, substantially unchanged compared with December 31, 2021.

**Gross short-term financial debt** increased by €984 million compared with December 31, 2021 to €14,302 million. It mainly includes commercial paper of €10,631 million, of which €10,355 connected with sustainability goals.

**Cash and cash equivalents and short- and long-term financial assets** totaled €16,972 million, a decrease of €3,045 million on December 31, 2021, mainly reflecting the decrease of €2,498 million in cash and cash equivalents with banks and short-term securities and €909 million in cash collateral paid.

## Cash flows

**Cash flows from operating activities** in the first three months of 2022 were a negative €707 million, down €3,256 million on the corresponding period of the previous year, largely reflecting the increase in cash requirements connected with the change in net working capital.

**Cash flows used in investing activities** in the first three months of 2022 amounted to €3,625 million, compared with €2,184 million in the first three months of 2021. Investments in property, plant and equipment, intangible assets and contract assets amounted €2,550 in the 1st Quarter of 2022 (of which €17 million reclassified as available for sale), an increase on the same period of the previous year.

Investments in entities and business units, net of cash and cash equivalents acquired, amounted to €1,223 million and mainly regarded Enel Produzione SpA's acquisition of 100% of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl) for €1,196 million net of cash and cash equiva-

lents acquired of €69 million and the acquisition by Enel Green Power España of a number of companies that own wind and photovoltaic plants for about €19 million.

Disposals of entities and business units, net of cash and cash equivalents sold, amounted to €21 million, mainly in respect of the disposal by Enel X Germany of its entire stake in Cremzow KG and Cremzow Verwaltungen. The same item in the first three months of 2021 mainly reported the disposal of a wind farm in Bulgaria.

Liquidity generated by other investing/disinvesting activities in the first three months of 2022 amounted to €127 million and regarded the sale of 1.1% of Enel X International's investment in Ufnet, receiving €73 million, as well as smaller disinvestments, mainly in Italy, North America and Latin America.

**Cash flows from financing activities** showed funds generated of €1,657 million, while in the first three months



of 2021 financing activities had absorbed cash of €1,121 million. The flow in the first three months of 2022 essentially reflected:

- an increase of €3,762 million in net financial debt (the balance of repayments and new borrowing);
- the payment of dividends in the amount of €2,090 million, as well as the payment of €30 million to holders of perpetual hybrid bonds;
- capital increases at subsidiaries with non-controlling shareholders in the amount of €15 million, notably in Australia.

In the first three months of 2022, cash flows from operating activities totaling a negative €707 million and cash flows used in investment activities in the amount of €3,625 million entirely absorbed cash flows from financing activities of €1,657 million. The remainder was covered by a decrease in cash and cash equivalents, which at March 31, 2022 declined by €2,474 million (net of €201 million connected with positive developments in the exchange rates of the various local currencies against the euro), compared with a decrease of €768 million in the first three months of 2021.

## Capital expenditure

Millions of euro	1st Quarter			
	2022	2021	Change	
Thermal Generation and Trading	98	96	2	2.1%
Enel Green Power <sup>(1)</sup>	1,095	842	253	30.0%
Infrastructure and Networks	1,057	910	147	16.2%
End-user Markets	186	108	78	72.2%
Enel X	81 <sup>(2)</sup>	53	28	52.8%
Services, Holding and Other	16	26	(10)	-38.5%
<b>Total</b>	<b>2,533</b>	<b>2,035</b>	<b>498</b>	<b>24.5%</b>

(1) The figure for the 1st Quarter of 2022 does not include €16 million regarding units classified as "held for sale"; the figure for the 1st Quarter of 2021 does not include €20 million regarding units classified as "held for sale".

(2) The figure does not include €1 million regarding units classified as "held for sale".

**Capital expenditure** amounted to €2,533 million in the first three months of 2022, with nearly all Business Lines posting increases. "Capital expenditure on low-carbon products, services and technology" amounted to 95.3% on the total.

The Enel Group, guided by energy efficiency and energy transition objectives, continued to invest above all in renewables. In particular, the increase mainly involved the United States (€139 million), Italy (€90 million), Canada (€90 million), Iberia (€54 million), India (€27 million) and Australia (€14 million). These increases were only partially offset by lower investments in Chile (€79 million), Russia (€36 million), Brazil (€26 million), Colombia (€10 million) and Panama (€8 million).

Investment in distribution assets also increased in order to

enhance grid resilience in response to increasingly volatile weather events.

Capital expenditure increased in Iberia to improve grid quality and customer connections to the grid and in Brazil and Argentina in reflection of greater investment in quality, recovery of grid losses and customer connections.

Capital expenditure also increased in the retail segment, especially in Italy and Iberia for the digitalization of customer management processes.

Enel X's investments increased in Italy in the e-City business and in developing global technology platforms for the digital management, in Iberia in the e-Home business following the increase in volumes compared with 2021 and in Latin America in the e-City, e-Home and e-Industries businesses.

# Performance by primary segment (Business Line) and secondary segment (Geographical Area)

The representation of performance by Business Line presented here is based on the approach used by management in monitoring Group performance for the two periods under review, taking account of the operational model adopted as described above.






































With regard to disclosures for operating segments, as management reports on performance by business sector, the Group has therefore adopted the following reporting sectors:

- primary segment: Business Line;

- secondary segment: Geographical Area.

The Business Line is therefore the main discriminant in the analyses performed and decisions taken by the management of the Enel Group, and is fully consistent with the internal reporting prepared for these purposes since the results are measured and evaluated first and foremost for each Business Line and only thereafter are they broken down by Geographical Area.

The following chart outlines these organizational arrangements.

HOLDING 							
Regions/ countries ▼	Global Business Lines					Local businesses	
	Thermal Generation	Trading	Enel Green Power	Infrastructure and Networks	Enel X	End-user Markets	Services
Italy							
Iberia							
Europe							
Africa, Asia and Oceania							
North America							
Latin America							

The organization continues to be based on matrix of Business Lines (Thermal Generation and Trading, Enel Green Power, Infrastructure and Networks, End-user Markets,

Enel X, Services and Holding/Other) and Geographical Areas (Italy, Iberia, Europe, Latin America, North America, Africa, Asia and Oceania, Central/Holding)

# Results by primary segment (Business Line) for the 1st Quarter of 2022 and 2021

## 1st Quarter of 2022<sup>(1)</sup>

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services, Holding and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	13,034	1,457	4,177	15,601	676	13	34,958	-	34,958
Revenue and other income from transactions with other segments	4,403	674	879	399	19	429	6,803	(6,803)	-
<b>Total revenue</b>	<b>17,437</b>	<b>2,131</b>	<b>5,056</b>	<b>16,000</b>	<b>695</b>	<b>442</b>	<b>41,761</b>	<b>(6,803)</b>	<b>34,958</b>
Net results from commodity contracts	732	94	-	325	-	5	1,156	-	1,156
<b>Gross operating profit/(loss)</b>	<b>1,595</b>	<b>726</b>	<b>1,725</b>	<b>120</b>	<b>299</b>	<b>(19)</b>	<b>4,446</b>	<b>-</b>	<b>4,446</b>
Depreciation, amortization and impairment losses	217	354	712	375	49	60	1,767	-	1,767
<b>Operating profit/(loss)</b>	<b>1,378</b>	<b>372</b>	<b>1,013</b>	<b>(255)</b>	<b>250</b>	<b>(79)</b>	<b>2,679</b>	<b>-</b>	<b>2,679</b>
<b>Capital expenditure</b>	<b>98</b>	<b>1,095<sup>(2)</sup></b>	<b>1,057</b>	<b>186</b>	<b>81<sup>(3)</sup></b>	<b>16</b>	<b>2,533</b>	<b>-</b>	<b>2,533</b>

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) The figure does not include €16 million regarding units classified as "held for sale".

(3) The figure does not include €1 million regarding units classified as "held for sale".

## 1st Quarter of 2021<sup>(1)(2)(3)(4)</sup>

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services, Holding and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	4,956	1,441	3,736	8,067	283	7	18,490	-	18,490
Revenue and other income from transactions with other segments	2,092	514	920	189	8	434	4,157	(4,157)	-
<b>Total revenue</b>	<b>7,048</b>	<b>1,955</b>	<b>4,656</b>	<b>8,256</b>	<b>291</b>	<b>441</b>	<b>22,647</b>	<b>(4,157)</b>	<b>18,490</b>
Net results from commodity contracts	(28)	2	-	(58)	-	3	(81)	-	(81)
<b>Gross operating profit/(loss)</b>	<b>425</b>	<b>1,052</b>	<b>1,734</b>	<b>908</b>	<b>41</b>	<b>(29)</b>	<b>4,131</b>	<b>-</b>	<b>4,131</b>
Depreciation, amortization and impairment losses	223	310	655	285	40	53	1,566	-	1,566
<b>Operating profit/(loss)</b>	<b>202</b>	<b>742</b>	<b>1,079</b>	<b>623</b>	<b>1</b>	<b>(82)</b>	<b>2,565</b>	<b>-</b>	<b>2,565</b>
<b>Capital expenditure</b>	<b>96</b>	<b>842<sup>(5)</sup></b>	<b>910</b>	<b>108</b>	<b>53</b>	<b>26</b>	<b>2,035</b>	<b>-</b>	<b>2,035</b>

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) The figures for revenue from third parties and revenue from transactions with other segments reflect a more accurate determination of the numbers.

(3) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

(4) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

(5) The figure does not include €20 million regarding units classified as "held for sale".

In addition to the above, the Group also monitors performance by geographical area, classifying results by region/country.

In the table below, ordinary gross operating profit is shown for the two periods under review with the goal of providing

a view of performance not only by Business Line, but also by Geographical Area.

It should be noted that ordinary gross operating profit excludes non-recurring items. For a reconciliation with gross operating profit, please see the section "Group performance".

## Ordinary gross operating profit<sup>(1) (2)</sup>

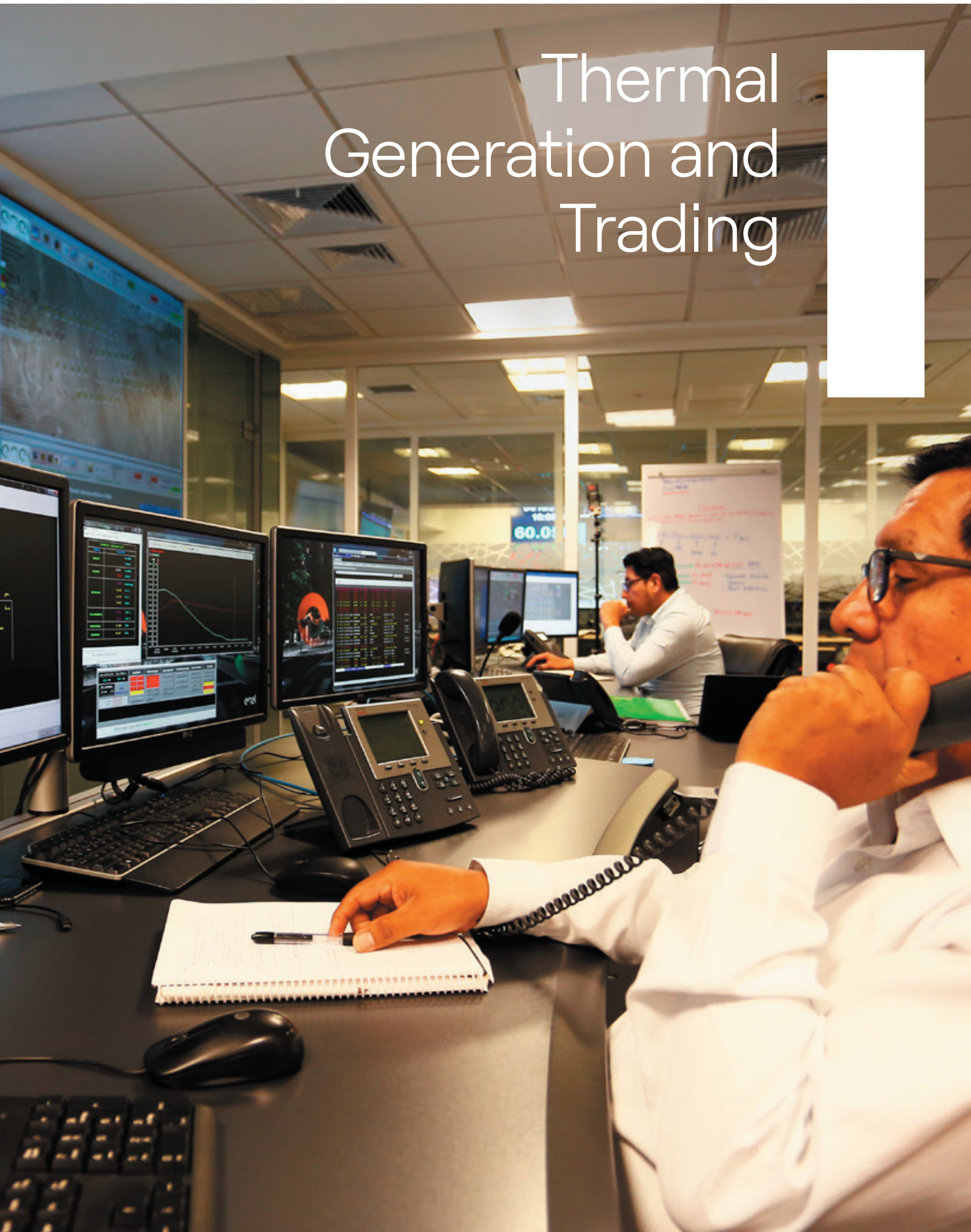
Millions of euro	Thermal Generation and Trading			Enel Green Power			Infrastructure and Networks		
	1st Quarter			1st Quarter			1st Quarter		
	2022	2021	Change	2022	2021	Change	2022	2021	Change
<b>Italy</b>	<b>1,019</b>	<b>111</b>	<b>908</b>	<b>(182)</b>	<b>330</b>	<b>(512)</b>	<b>841</b>	<b>896</b>	<b>(55)</b>
<b>Iberia</b>	<b>478</b>	<b>264</b>	<b>214</b>	<b>145</b>	<b>155</b>	<b>(10)</b>	<b>411</b>	<b>452</b>	<b>(41)</b>
<b>Latin America</b>	<b>79</b>	<b>55</b>	<b>24</b>	<b>502</b>	<b>429</b>	<b>73</b>	<b>552</b>	<b>402</b>	<b>150</b>
<i>Argentina</i>	18	15	3	6	4	2	(7)	-	(7)
<i>Brazil</i>	26	18	8	106	53	53	349	234	115
<i>Chile</i>	(6)	(12)	6	146	158	(12)	51	33	18
<i>Colombia</i>	6	6	-	172	142	30	110	93	17
<i>Peru</i>	36	29	7	48	36	12	49	42	7
<i>Panama</i>	(1)	(1)	-	16	31	(15)	-	-	-
<i>Other countries</i>	-	-	-	8	5	3	-	-	-
<b>Europe</b>	<b>27</b>	<b>27</b>	<b>-</b>	<b>80</b>	<b>47</b>	<b>33</b>	<b>(73)</b>	<b>24</b>	<b>(97)</b>
<i>Romania</i>	(3)	-	(3)	57	23	34	(73)	24	(97)
<i>Russia</i>	30	27	3	3	(1)	4	-	-	-
<i>Other countries</i>	-	-	-	20	25	(5)	-	-	-
<b>North America</b>	<b>8</b>	<b>(18)</b>	<b>26</b>	<b>155</b>	<b>84</b>	<b>71</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>United States and Canada</i>	8	(18)	26	127	67	60	-	-	-
<i>Mexico</i>	-	-	-	28	17	11	-	-	-
<b>Africa, Asia and Oceania</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>17</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>South Africa</i>	-	-	-	23	15	8	-	-	-
<i>India</i>	-	-	-	1	(1)	2	-	-	-
<i>Other countries</i>	-	-	-	5	3	2	-	-	-
<b>Other</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>(2)</b>	<b>(8)</b>	<b>6</b>	<b>-</b>	<b>(1)</b>	<b>1</b>
<b>Total</b>	<b>1,615</b>	<b>442</b>	<b>1,173</b>	<b>727</b>	<b>1,054</b>	<b>(327)</b>	<b>1,731</b>	<b>1,773</b>	<b>(42)</b>

(1) Ordinary gross operating profit excludes non-recurring items. For a reconciliation with gross operating profit, see the section "Group performance".

(2) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

End-user Markets			Enel X			Services, Holding and Other			Total		
1st Quarter			1st Quarter			1st Quarter			1st Quarter		
2022	2021	Change	2022	2021	Change	2022	2021	Change	2022	2021	Change
317	715	(398)	15	24	(9)	27	19	8	2,037	2,095	(58)
(157)	117	(274)	25	13	12	1	(2)	3	903	999	(96)
102	55	47	23	13	10	(17)	(17)	-	1,241	937	304
3	2	1	1	1	-	(1)	(1)	-	20	21	(1)
59	25	34	1	-	1	(4)	(7)	3	537	323	214
17	9	8	(1)	(3)	2	(12)	(9)	(3)	195	176	19
18	13	5	17	10	7	-	-	-	323	264	59
5	6	(1)	5	5	-	-	-	-	143	118	25
-	-	-	-	-	-	-	-	-	15	30	(15)
-	-	-	-	-	-	-	-	-	8	5	3
(138)	25	(163)	12	2	10	-	1	(1)	(92)	126	(218)
(138)	25	(163)	3	1	2	-	1	(1)	(154)	74	(228)
-	-	-	-	-	-	-	-	-	33	26	7
-	-	-	9	1	8	-	-	-	29	26	3
3	-	3	9	(2)	11	-	(1)	1	175	63	112
-	-	-	9	(2)	11	-	(1)	1	144	46	98
3	-	3	-	-	-	-	-	-	31	17	14
-	-	-	(1)	(1)	-	-	-	-	28	16	12
-	-	-	-	-	-	-	-	-	23	15	8
-	-	-	-	-	-	-	-	-	1	(1)	2
-	-	-	(1)	(1)	-	-	-	-	4	2	2
(3)	-	(3)	217	(8)	225	(22)	(23)	1	194	(37)	231
124	912	(788)	300	41	259	(11)	(23)	12	4,486	4,199	287

# Thermal Generation and Trading



# Operations

## Net electricity generation

Millions of kWh	1st Quarter			
	2022	2021	Change	
Coal-fired plants	5,160	3,032	2,128	70.2%
Fuel-oil and turbo-gas plants	6,077	5,304	773	14.6%
Combined-cycle plants	14,052	10,834	3,218	29.7%
Nuclear plants	7,113	6,909	204	3.0%
<b>Total net generation</b>	<b>32,402</b>	<b>26,079</b>	<b>6,323</b>	<b>24.2%</b>
- of which Italy	7,670	4,528	3,142	69.4%
- of which Iberia	12,482	10,441	2,041	19.5%
- of which Latin America	6,233	5,597	636	11.4%
- of which Europe	6,017	5,513	504	9.1%

The increase in thermal generation is essentially attributable to an increase in generation both from combined-cycle plants (3,218 million kWh) and from coal-fired plants (2,128 million kWh), the latter mainly reflecting the need

to offset a decline in hydroelectric output as a result of poor water availability during the period. The increase in combined-cycle generation was largely accounted for by Italy (1,049 million kWh) and Iberia (1,720 million kWh).

## Net efficient generation capacity

MW	1st Quarter			
	at Mar. 31, 2022	at Dec. 31, 2021	Change	
Coal-fired plants	6,910	6,910	-	-
Fuel-oil and turbo-gas plants	11,694	11,715	(21)	-0.2%
Combined-cycle plants	15,039	15,039	-	-
Nuclear plants	3,328	3,328	-	-
<b>Total</b>	<b>36,971</b>	<b>36,992</b>	<b>(21)</b>	<b>-0.1%</b>
- of which Italy	11,569	11,569	-	-
- of which Iberia	12,751	12,751	-	-
- of which Latin America	7,375	7,396	(21)	-0.3%
- of which Europe	5,276	5,276	-	-

Compared with the end of 2021, the 21 MW decrease in net efficient generation capacity is attributable to fuel-oil and turbo-gas plants in Latin America.

# Performance

Millions of euro	1st Quarter			
	2022	2021	Change	
Revenue <sup>(1)</sup>	17,437	7,048	10,389	-
Gross operating profit/(loss)	1,595	425	1,170	-
Ordinary gross operating profit/(loss)	1,615	442	1,173	-
Operating profit/(loss)	1,378	202	1,176	-
Ordinary operating profit/(loss)	1,398	219	1,179	-
Capital expenditure	98	96	2	2.1%

(1) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

The following table breaks out revenue from thermal and nuclear generation for the Thermal Generation and Trading area.

## Revenue from thermal and nuclear generation

Millions of euro	1st Quarter			
	2022	2021	Change	
<b>Revenue<sup>(1)(2)</sup></b>				
Revenue from thermal generation	4,469	1,928		-
- of which: coal-fired generation	1,378	381 <sup>(3)</sup>		-
Revenue from nuclear generation	429	463		-7.3%
Revenue from thermal generation as a percentage of total revenue	12.8%	10.4%		
- of which: revenue from coal-fired generation as a percentage of total revenue	3.9%	2.1%		
Revenue from nuclear generation as a percentage of total revenue	1.2%	2.5%		

(1) The revenue analyzed refers to that for the segment and includes transactions with third parties and the intersegment transactions of each segment with the others.

(2) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on margins. For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

(3) The figures for 2021 take account of a more accurate determination.

The following tables show a breakdown of performance by Geographical Area in the 1st Quarter of 2022.



## Revenue <sup>(1)</sup>

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy <sup>(1)</sup>	13,935	5,237	8,698	-
Iberia <sup>(1)</sup>	2,689	1,273	1,416	-
Latin America	668	454	214	47.1%
- of which Argentina	34	30	4	13.3%
- of which Brazil	226	163	63	38.7%
- of which Chile	301	184	117	63.6%
- of which Colombia	49	40	9	22.5%
- of which Peru	58	37	21	56.8%
North America	24	36	(12)	-33.3%
Europe	151	138	13	9.4%
- of which Romania	8	-	8	-
- of which Russia	143	138	5	3.6%
Other	29	33	(4)	-12.1%
Eliminations and adjustments	(59)	(123)	64	52.0%
<b>Total</b>	<b>17,437</b>	<b>7,048</b>	<b>10,389</b>	<b>-</b>

(1) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

**Revenue** in the first three months of 2022 amounted to €17,437 million, an increase of €10,389 million compared with the same period of 2021. The change mainly regarded:

- Italy, largely attributable to an increase in gas and electricity sales, which reflected the increase in commodity

prices, especially gas, and the increase in thermal generation;

- Iberia, due to an increase in revenue from the sale of electricity, mainly reflecting an increase in average prices.

## Ordinary gross operating profit/(loss)

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	1,019	111	908	-
Iberia	478	264	214	81.1%
Latin America	79	55	24	43.6%
- of which Argentina	18	15	3	20.0%
- of which Brazil	26	18	8	44.4%
- of which Chile	(6)	(12)	6	50.0%
- of which Colombia	6	6	-	-
- of which Peru	36	29	7	24.1%
- of which Panama	(1)	(1)	-	-
North America	8	(18)	26	-
Europe	27	27	-	-
- of which Romania	(3)	-	(3)	-
- of which Russia	30	27	3	11.1%
Other	4	3	1	33.3%
<b>Total</b>	<b>1,615</b>	<b>442</b>	<b>1,173</b>	<b>-</b>

The increase of €1,173 million in **ordinary gross operating profit** is mainly attributable to greater electricity generation, prices applied and the net result from hedging the

price risk on commodities in Italy and Spain.

**Gross operating profit** of €1,595 million (€425 million in the first three months of 2021) was mainly affected by the

factors discussed in the comments on ordinary gross operating profit, as well as the change in extraordinary items (€3 million).

Extraordinary items in the 1st Quarter of 2022 include impairment losses on the fuel inventories of the Bocamina II

coal plant as a result of the energy transition process (€19 million) and costs incurred for sanitizing workplaces, purchasing personal protective equipment and donations in response to the COVID-19 pandemic (€1 million).

### Ordinary operating profit/(loss)

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	991	69	922	-
Iberia	341	123	218	-
Latin America	35	20	15	75.0%
- of which Argentina	(2)	1	(3)	-
- of which Brazil	23	15	8	53.3%
- of which Chile	(15)	(20)	5	25.0%
- of which Colombia	1	1	-	-
- of which Peru	29	23	6	26.1%
- of which Other countries	(1)	-	(1)	-
North America	8	(18)	26	-
Europe	20	23	(3)	-13.0%
- of which Romania	(3)	-	(3)	-
- of which Russia	23	23	-	-
Other	3	2	1	50.0%
<b>Total</b>	<b>1,398</b>	<b>219</b>	<b>1,179</b>	<b>-</b>

The increase in **ordinary operating profit** essentially reflected the factors discussed for ordinary gross operating profit, and the decrease of €6 million in depreciation, amortization and impairment losses compared with the same period of 2021.

**Operating profit** for the first three months of 2022 amounted to €1,378 million (€202 million in 2021), reflecting the factors discussed for ordinary operating profit as well as impairment losses recognized on the fuel inventories of the Bocamina II coal-fired plant (€19 million) and non-recurring costs incurred in dealing with the COVID-19 pandemic (€1 million).

### Capital expenditure

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	45	36	9	25.0%
Iberia	28	34	(6)	-17.6%
Latin America	21	20	1	5.0%
North America	-	1	(1)	-
Europe	4	5	(1)	-20.0%
<b>Total</b>	<b>98</b>	<b>96</b>	<b>2</b>	<b>2.1%</b>

**Capital expenditure** in the 1st Quarter of 2022 was essentially unchanged on the first three months of 2021.



# Enel Green Power



# Operations

## Net electricity generation

Millions of kWh	1st Quarter			
	2022	2021	Change	
Hydroelectric	12,166	15,337	(3,171)	-20.7%
Geothermal	1,581	1,511	70	4.6%
Wind	10,690	9,097	1,593	17.5%
Solar	2,396	1,650	746	45.2%
Other sources	12	12	-	-
<b>Total net generation</b>	<b>26,845</b>	<b>27,607</b>	<b>(762)</b>	<b>-2.8%</b>
- of which Italy	4,330	6,010	(1,680)	-28.0%
- of which Iberia	2,979	4,360	(1,381)	-31.7%
- of which Latin America	12,001	11,196	805	7.2%
- of which Europe	749	655	94	14.4%
- of which North America	6,029	4,823	1,206	25.0%
- of which Africa, Asia and Oceania	757	563	194	34.5%

Net electricity generation declined in the 1st Quarter of 2022, reflecting a decrease in hydroelectric output, only partially offset by an increase in generation from other renewable sources.

Poor water supply has resulted in lower hydroelectric generation, mainly accounted for by Italy (-1,727 million kWh), Iberia (-1,219 million kWh) and Chile (-232 million kWh).

Wind generation recorded its most significant increases

in North America (+930 million kWh, notably in the United States, with an increase of 872 million kWh), Brazil (+670 million kWh) and South Africa (+182 million kWh), partially offset by a reduction in Iberia (-303 million kWh).

Solar generation expanded, mainly in the United States (+263 million kWh), Chile (+175 million kWh), Brazil (+153 million kWh) and Iberia (+143 million kWh).

## Net efficient generation capacity

MW				
	at Mar. 31, 2022	at Dec. 31, 2021	Change	
Hydroelectric	28,384	27,847	537	1.9%
Geothermal	915	915	-	-
Wind	14,981	14,903	78	0.5%
Solar	6,854	6,395	459	7.2%
Other sources	6	6	-	-
<b>Total net efficient generation capacity</b>	<b>51,140</b>	<b>50,066</b>	<b>1,074</b>	<b>2.1%</b>
- of which Italy	14,577	14,040	537	3.8%
- of which Iberia	8,446	8,390	56	0.7%
- of which Latin America	16,720	16,506	214	1.3%
- of which Europe	1,269	1,248	21	1.7%
- of which North America	7,942	7,941	1	-
- of which Africa, Asia and Oceania	2,186	1,941	245	12.6%

The increase in net efficient capacity is mainly due to the construction of new solar plants in Chile and India, as well

as the acquisition and repowering of new hydro plants in Italy.

# Performance

Millions of euro	1st Quarter			
	2022	2021	Change	
Revenue	2,131	1,955	176	9.0%
Gross operating profit/(loss)	726	1,052	(326)	-31.0%
Ordinary gross operating profit/(loss)	727	1,054	(327)	-31.0%
Operating profit/(loss)	372	742	(370)	-49.9%
Ordinary operating profit/(loss)	373	744	(371)	-49.9%
Capital expenditure	1,095 <sup>(1)</sup>	842 <sup>(2)</sup>	253	30.0%

(1) The figure does not include €16 million regarding units classified as "held for sale".

(2) The figure does not include €20 million regarding units classified as "held for sale".

The following tables show a breakdown of performance by Geographical Area in the 1st Quarter of 2022.

## Revenue

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	432	566	(134)	-23.7%
Iberia	284	265	19	7.2%
Latin America	958	829	129	15.6%
- of which Argentina	8	7	1	14.3%
- of which Brazil	157	253	(96)	-37.9%
- of which Chile	451	288	163	56.6%
- of which Colombia	235	198	37	18.7%
- of which Peru	47	35	12	34.3%
- of which Panama	42	36	6	16.7%
- of which Other countries	18	12	6	50.0%
North America	285	174	111	63.8%
- of which United States and Canada	229	137	92	67.2%
- of which Mexico	56	37	19	51.4%
Europe	123	83	40	48.2%
- of which Romania	90	51	39	76.5%
- of which Russia	6	-	6	-
- of which Greece	27	32	(5)	-15.6%
Africa, Asia and Oceania	48	34	14	41.2%
Other	63	63	-	-
Eliminations and adjustments	(62)	(59)	(3)	-5.1%
<b>Total</b>	<b>2,131</b>	<b>1,955</b>	<b>176</b>	<b>9.0%</b>

The increase in **revenue** is mainly attributable to greater quantities sold at increasing average prices, mainly in Chile

and North America, partially offset by lower sales in Italy due to poor water availability.

## Ordinary gross operating profit/(loss)

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	(182)	330	(512)	-
Iberia	145	155	(10)	-6.5%
Latin America	502	429	73	170%
- of which Argentina	6	4	2	50.0%
- of which Brazil	106	53	53	-
- of which Chile	146	158	(12)	-76%
- of which Colombia	172	142	30	21.1%
- of which Peru	48	36	12	33.3%
- of which Panama	16	31	(15)	-48.4%
- of which Other countries	8	5	3	60.0%
North America	155	84	71	84.5%
- of which United States and Canada	127	67	60	89.6%
- of which Mexico	28	17	11	64.7%
Europe	80	47	33	70.2%
- of which Romania	57	23	34	-
- of which Russia	3	(1)	4	-
- of which Greece	20	25	(5)	-20.0%
Africa, Asia and Oceania	29	17	12	70.6%
Other	(2)	(8)	6	75.0%
<b>Total</b>	<b>727</b>	<b>1,054</b>	<b>(327)</b>	<b>-31.0%</b>

The change in **ordinary gross operating profit** in the 1st Quarter of 2022 is essentially attributable to the gross operating loss registered in Italy as a result of a decline in hydro generation – despite the acquisition of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl) – due to a reduction in the availability of water resources.

This effect was partially offset by an increase in gross operating profit in Latin America, especially in Brazil and Colombia, as a result of an increase in quantities generated and sold at increasing average prices and in North Amer-

ica as a result of new plants entering services, as well as the net negative settlement in the 1st Quarter of 2021 of a proxy revenue swap contract amounting to about €44 million following an extreme weather event in Texas.

**Gross operating profit** amounted to €726 million (€1,052 million in the 1st Quarter of 2021), reflecting €1 million in costs incurred for sanitizing workplaces, purchasing personal protective equipment and donations in response to the COVID-19 pandemic.

## Ordinary operating profit/(loss)

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	(253)	262	(515)	-
Iberia	80	103	(23)	-22.3%
Latin America	409	342	67	19.6%
- of which Argentina	4	3	1	33.3%
- of which Brazil	80	38	42	-
- of which Chile	107	119	(12)	-10.1%
- of which Colombia	160	130	30	23.1%
- of which Peru	42	28	14	50.0%
- of which Panama	12	27	(15)	-55.6%
- of which Other countries	4	(3)	7	-
North America	68	11	57	-
- of which United States and Canada	47	1	46	-
- of which Mexico	21	10	11	-
Europe	67	30	37	-
- of which Romania	52	17	35	-
- of which Russia	2	(4)	6	-
- of which Greece	13	17	(4)	-23.5%
Africa, Asia and Oceania	10	6	4	66.7%
Other	(8)	(10)	2	20.0%
<b>Total</b>	<b>373</b>	<b>744</b>	<b>(371)</b>	<b>-49.9%</b>

The decrease in **ordinary operating profit** reflects the developments discussed for ordinary gross operating profit. Compared with the same period of 2021, depreciation, amortization and impairment losses increased by €44 million as a result of new capital expenditure in recent years.

**Operating profit** for the 1st Quarter of 2022 amounted to €372 million (€742 million in the same period of 2021), reflecting the developments discussed for gross operating profit and ordinary operating profit.

## Capital expenditure

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	162	72	90	-
Iberia	108	54	54	-
Latin America	230	351	(121)	-34.5%
North America	496	268	228	85.1%
Europe	20	57	(37)	-64.9%
Africa, Asia and Oceania	77	36	41	-
Other	2	4	(2)	-50.0%
<b>Total</b>	<b>1,095<sup>(1)</sup></b>	<b>842<sup>(2)</sup></b>	<b>253</b>	<b>30.0%</b>

(1) The figure does not include €16 million regarding units classified as "held for sale".

(2) The figure does not include €20 million regarding units classified as "held for sale".

**Capital expenditure** in the 1st Quarter of 2022 increased by €253 million compared with the same period of the previous year. In particular, the change was attributable to:

- an increase of €228 million in North America, mainly reflecting a rise in spending on wind and solar plants;
- an increase of €90 million in Italy, mainly on storage solutions;
- an increase of €54 million in Iberia, largely on wind plants;
- an increase of €41 million in Africa, Asia and Oceania, mainly regarding solar plants in India and wind facilities in Australia;
- a decrease of €121 million in Latin America, mainly in Chile, Brazil and Colombia;
- a decrease in investment in wind plants in Europe.





# Infrastructure and Networks



# Operations

## Electricity transport

Millions of kWh	1st Quarter			
	2022	2021	Change	
Electricity transported on Enel's network <sup>(1)</sup>	126,738	126,587	151	0.1%
- of which Italy <sup>(1)</sup>	55,804	55,733	71	0.1%
- of which Iberia <sup>(1)</sup>	32,507	32,734	(227)	-0.7%
- of which Latin America	34,347	34,028	319	0.9%
- of which Europe	4,080	4,092	(12)	-0.3%
End users with active smart meters (no.)	45,055,645	44,396,969	658,676	1.5%

(1) The figure for 2021 has been restated.

In the 1st Quarter of 2022, electricity transported on the grid was virtually unchanged on the same period of the previous year (+0.1%). More specifically, the increases reg-

istered in Latin America and Italy were partially offset by a decline in electricity transported in Iberia and Europe.

## Average frequency of interruptions per customer

	at Mar. 31, 2022	at Dec. 31, 2021	Change	
SAIFI (average no.)				
Italy	1.7	1.8	(0.1)	-5.6%
Iberia	1.3	1.4	(0.1)	-7.1%
Argentina	5.0	4.9	0.1	2.0%
Brazil	4.6	4.8	(0.2)	-4.2%
Chile	1.5	1.5	-	-
Colombia	4.8	5.2	(0.4)	-7.7%
Peru	2.1	2.3	(0.2)	-8.7%
Romania	2.7	2.9	(0.2)	-6.9%

## Average duration of interruptions per customer

	at Mar. 31, 2022	at Dec. 31, 2021	Change	
SAIDI (average minutes)				
Italy	41.2	42.9	(1.7)	-4.0%
Iberia	65.5	70.0	(4.5)	-6.4%
Argentina	891.4	797.3	94.1	11.8%
Brazil	598.3	607.9	(9.6)	-1.6%
Chile	138.5	152.3	(13.8)	-9.1%
Colombia	389.1	401.4	(12.3)	-3.1%
Peru	406.8	413.9	(7.1)	-1.7%
Romania	99.2	109.7	(10.5)	-9.6%

As indicated in the tables above, the level of service quality improved in most geographical areas, although the SAIDI indicator for outages in Argentina is still high, due in par-

ticular to faults in high-voltage transmission systems not operated by the Group.

## Grid losses

	at Mar. 31, 2022	at Dec. 31, 2021	Change	
Grid losses (average %)				
<i>Italy</i>	4.7	4.7	-	-
<i>Iberia</i>	7.1	7.1	-	-
<i>Argentina</i>	17.7	18.0	(0.3)	-1.7%
<i>Brazil</i>	13.2	13.1	0.1	0.8%
<i>Chile</i>	5.2	5.2	-	-
<i>Colombia</i>	7.5	7.5	-	-
<i>Peru</i>	8.7	8.5	0.2	2.4%
<i>Romania</i>	8.5	8.7	(0.2)	-2.3%

## Performance

Millions of euro	1st Quarter			
	2022	2021	Change	
Revenue <sup>(1)</sup>	5,056	4,656	400	8.6%
Gross operating profit/(loss) <sup>(1)</sup>	1,725	1,734	(9)	-0.5%
Ordinary gross operating profit/(loss) <sup>(1)</sup>	1,731	1,773	(42)	-2.4%
Operating profit/(loss) <sup>(1)</sup>	1,013	1,079	(66)	-6.1%
Ordinary operating profit/(loss) <sup>(1)</sup>	1,019	1,123	(104)	-9.3%
Capital expenditure	1,057	910	147	16.2%

(1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

The following tables show a breakdown of performance by Geographical Area in the 1st Quarter of 2022.

## Revenue

Millions of euro	1st Quarter			
	2022	2021	Change	
<i>Italy</i>	1,686	1,746	(60)	-3.4%
<i>Iberia</i>	570	612	(42)	-6.9%
<i>Latin America</i>	2,662	2,187	475	21.7%
- of which <i>Argentina</i>	167	132	35	26.5%
- of which <i>Brazil</i> <sup>(1)</sup>	1,795	1,442	353	24.5%
- of which <i>Chile</i>	323	287	36	12.5%
- of which <i>Colombia</i>	174	153	21	13.7%
- of which <i>Peru</i>	203	173	30	17.3%
<i>Europe</i>	114	104	10	9.6%
<i>Other</i>	134	82	52	63.4%
Eliminations and adjustments	(110)	(75)	(35)	-46.7%
<b>Total<sup>(1)</sup></b>	<b>5,056</b>	<b>4,656</b>	<b>400</b>	<b>8.6%</b>

(1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

The increase in **revenue** is mainly attributable to Latin America, notably Brazil, reflecting rate adjustments for inflation and the positive effect of exchange rate developments.

This increase was partially mitigated by lower revenue in:

- Italy, due essentially to the decrease in revenue from

electricity transport as a result of the reduction in rates for 2022 provided for in Regulatory Authority for Energy, Networks and the Environment (ARENER) Resolution no. 621/21 published in December 2021;

- Iberia, essentially due to a decrease in volumes transported.

### Ordinary gross operating profit/(loss)

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	841	896	(55)	-6.1%
Iberia	411	452	(41)	-9.1%
Latin America	552	402	150	37.3%
- of which Argentina	(7)	-	(7)	-
- of which Brazil <sup>(1)</sup>	349	234	115	49.1%
- of which Chile	51	33	18	54.5%
- of which Colombia	110	93	17	18.3%
- of which Peru	49	42	7	16.7%
Europe	(73)	24	(97)	-
Other	-	(1)	1	-
<b>Total<sup>(1)</sup></b>	<b>1,731</b>	<b>1,773</b>	<b>(42)</b>	<b>-2.4%</b>

(1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

**Ordinary gross operating profit** decreased:

- in Europe as a result of the non-indexing of rates in order to attenuate the impact of the rise in commodity prices on customers;
- in Italy, mainly as result of the decline in electricity transport revenue discussed earlier;
- in Iberia, reflecting the reduction in volumes transported noted above.

These decreases were partially offset by an increase in gross operating profit in Brazil due to the increase in electricity transport revenue and positive exchange rate developments.

**Gross operating profit** amounted to €1,725 million (€1,734 million in the 1st Quarter of 2021), reflecting the developments discussed for ordinary gross operating profit and the following non-recurring items:

- charges provisioned in Spain for restructuring plans for the energy transition and digitalization (€2 million);
- costs incurred mainly in Italy for sanitizing workplaces, personal protective equipment and donations in response to the COVID-19 pandemic (€4 million).

## Ordinary operating profit/(loss)

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	529	609	(80)	-13.1%
Iberia	212	262	(50)	-19.1%
Latin America	374	249	125	50.2%
- of which Argentina	(14)	(5)	(9)	-
- of which Brazil <sup>(1)</sup>	233	133	100	75.2%
- of which Chile	35	22	13	59.1%
- of which Colombia	87	71	16	22.5%
- of which Peru	33	28	5	17.9%
Europe	(94)	4	(98)	-
Other	(2)	(1)	(1)	-
<b>Total<sup>(1)</sup></b>	<b>1,019</b>	<b>1,123</b>	<b>(104)</b>	<b>-9.3%</b>

(1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on margins. For more details, please see note 2 to the condensed consolidated financial statements at March 31, 2022.

The decrease in **ordinary operating profit**, including depreciation, amortization and impairment losses of €712 million (€650 million in the 1st Quarter of 2021), were essentially attributable to the factors already discussed for ordinary gross operating profit.

**Operating profit** amounted to €1,013 million (€1,079 million in the 1st Quarter of 2021), reflecting the factors impacting ordinary operating profit.

## Capital expenditure

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	464	480	(16)	-3.3%
Iberia	179	141	38	27.0%
Latin America	390	245	145	59.2%
Europe	20	43	(23)	-53.5%
Other	4	1	3	-
<b>Total</b>	<b>1,057</b>	<b>910</b>	<b>147</b>	<b>16.2%</b>

**Capital expenditure** increased by €147 million on the year-earlier period.

The increase is attributable to:

- Latin America, and Brazil in particular, as a result of an increase in investment in distribution lines and substa-

tions, maintenance activities and an increase in new connections;

- Iberia, reflecting an increase in investments in distribution lines, substations, transformers and metering equipment.



# End-user Markets





# Operations

## Electricity sales

Millions of kWh	1st Quarter			
	2022	2021	Change	
Free market	47,509	43,496	4,013	9.2%
Regulated market	32,366	35,305	(2,939)	-8.3%
<b>Total</b>	<b>79,875</b>	<b>78,801</b>	<b>1,074</b>	<b>1.4%</b>
- of which Italy	24,399	23,914	485	2.0%
- of which Iberia	19,593	20,733	(1,140)	-5.5%
- of which Latin America	33,263	31,884	1,379	4.3%
- of which Europe	2,620	2,270	350	15.4%

The increase in electricity sold in the 1st Quarter of 2022 substantially reflects an increase in volumes sold on the free market to business-to-business (B2B) customers in Italy and Latin America. On the regulated market, volumes

declined in both customer segments (business to consumer and B2B), mainly reflecting a decrease in the number of customers compared with the year-earlier period.

## Natural gas sales

Millions of m <sup>3</sup>	1st Quarter			
	2022	2021	Change	
Business to consumer <sup>(1)</sup>	1,897	1,746	151	8.6%
Business to business <sup>(1)</sup>	2,143	1,942	201	10.4%
<b>Total<sup>(1)</sup></b>	<b>4,040</b>	<b>3,688</b>	<b>352</b>	<b>9.5%</b>
- of which Italy	2,148	1,987	161	8.1%
- of which Iberia <sup>(1)</sup>	1,694	1,611	83	5.2%
- of which Latin America	73	40	33	82.5%
- of which Europe	125	50	75	-

(1) The figures for 2021 reflect a more accurate calculation of volumes sold.

The increase in gas sold in the first three months of 2022 mainly reflects an increase in the number of customers compared with the same period of 2021.

# Performance

Millions of euro	1st Quarter			
	2022	2021	Change	
Revenue	16,000	8,256	7,744	93.8%
Gross operating profit/(loss)	120	908	(788)	-86.8%
Ordinary gross operating profit/(loss)	124	912	(788)	-86.4%
Operating profit/(loss)	(255)	623	(878)	-
Ordinary operating profit/(loss)	(249)	627	(876)	-
Capital expenditure	186	108	78	72.2%

The following tables show a breakdown of performance by Geographical Area in the 1st Quarter of 2022.

## Revenue

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	8,611	4,289	4,322	-
Iberia	6,400	3,354	3,046	90.8%
Latin America	411	306	105	34.3%
- of which Brazil	114	60	54	90.0%
- of which Chile	27	17	10	58.8%
- of which Colombia	211	179	32	17.9%
- of which Peru	59	50	9	18.0%
North America	3	-	3	-
Europe	575	307	268	87.3%
<b>Total</b>	<b>16,000</b>	<b>8,256</b>	<b>7,744</b>	<b>93.8%</b>

**Revenue** in the 1st Quarter of 2022 increased by 93.8%, mainly due to higher revenue from electricity sales (€5,703

million) and gas sales (€1,812 million) as a result of higher sales prices.

## Ordinary gross operating profit/(loss)

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	317	715	(398)	-55.7%
Iberia	(157)	117	(274)	-
Latin America	102	55	47	85.5%
- of which Argentina	3	2	1	50.0%
- of which Brazil	59	25	34	-
- of which Chile	17	9	8	88.9%
- of which Colombia	18	13	5	38.5%
- of which Peru	5	6	(1)	-16.7%
North America	3	-	3	-
Europe	(138)	25	(163)	-
Other	(3)	-	(3)	-
<b>Total</b>	<b>124</b>	<b>912</b>	<b>(788)</b>	<b>-86.4%</b>

**Ordinary gross operating profit** in the 1st Quarter of 2022 declined by €788 million compared with the same period of 2021 (-86.4%), essentially due to the decrease in gross operating profit on the free market in Italy, Spain and Romania, which essentially reflected higher provisioning costs.

**Gross operating profit** amounted to €120 million (€908 million in the 1st Quarter of 2021). In addition to being impacted by the factors discussed for ordinary gross operating profit, it also includes non-recurring provisions for charges in respect of restructuring plans for the energy transition and digitalization (€4 million).

## Ordinary operating profit/(loss)

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	86	539	(453)	-84.0%
Iberia	(201)	53	(254)	-
Latin America	12	11	1	9.1%
- of which Argentina	(3)	(2)	(1)	-50.0%
- of which Brazil	(12)	(3)	(9)	-
- of which Chile	12	3	9	-
- of which Colombia	13	9	4	44.4%
- of which Peru	2	4	(2)	-50.0%
North America	2	-	2	-
Europe	(145)	24	(169)	-
Other	(3)	-	(3)	-
<b>Total</b>	<b>(249)</b>	<b>627</b>	<b>(876)</b>	<b>-</b>

The **ordinary operating loss**, including depreciation, amortization and impairment losses of €373 million (€285 million the 1st Quarter of 2021) reflects the effects commented above for ordinary gross operating profit and the increase in depreciation, amortization and impairment losses, which mainly regarded writedowns of trade receivables, primarily recognized in Italy and Brazil.

The **operating loss** for the 1st Quarter of 2022 amounted to €255 million (€623 million in the 1st Quarter of 2021). It reflected the factors noted with regard to the gross operating margin and the increase in depreciation, amortization and impairment losses (mainly in Italy and Brazil) noted under ordinary operating loss.

## Capital expenditure

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	117	74	43	58.1%
Iberia	67	30	37	-
Europe	2	4	(2)	-50.0%
<b>Total</b>	<b>186</b>	<b>108</b>	<b>78</b>	<b>72.2%</b>

The increase in **capital expenditure** is mainly attributable to the improved performance of commercial activities following an increase in new customers and site activations in Italy and Spain.

Enel X



# Operations

	1st Quarter			
	2022	2021	Change	
Demand response capacity (MW)	6,650	6,137	513	8.4%
Lighting points (thousands)	2,807	2,847	(40)	-1.4%
Storage (MW)	482	375 <sup>(1)</sup>	107	28.5%
Charging points (no.)	173,156	111,873	61,283	54.8%

(1) At December 31, 2021.

Charging points for private citizens increased by 57,719, mainly in North America and Italy, while public charging points rose by 3,564, largely in Italy and Spain.

# Performance

Millions of euro	1st Quarter			
	2022	2021	Change	
Revenue	695	291	404	-
Gross operating profit/(loss)	299	41	258	-
Ordinary gross operating profit/(loss)	300	41	259	-
Operating profit/(loss)	250	1	249	-
Ordinary operating profit/(loss)	251	1	250	-
Capital expenditure	81 <sup>(1)</sup>	53	28	52.8%

(1) The figure does not include €1 million regarding units classified as "held for sale".

The following tables show a breakdown of performance by Geographical Area in the 1st Quarter of 2022.

## Revenue

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	151	95	56	58.9%
Iberia	89	59	30	50.8%
Latin America	73	43	30	69.8%
- of which Argentina	3	2	1	50.0%
- of which Brazil	10	3	7	-
- of which Chile	9	10	(1)	-10.0%
- of which Colombia	39	16	23	-
- of which Peru	12	12	-	-
North America	96	53	43	81.1%
Europe	28	22	6	27.3%
Africa, Asia and Oceania	17	12	5	41.7%
Other	275	34	241	-
Eliminations and adjustments	(34)	(27)	(7)	-25.9%
<b>Total</b>	<b>695</b>	<b>291</b>	<b>404</b>	<b>-</b>

**Revenue** in the 1st Quarter of 2022 increased by €404 million compared with the same period of 2021, mainly due to the recognition of the capital gain on the sale by Enel X International of 1.1% of its investment in Ufinet (€220 million). In addition, revenue increased:

- in Italy, due to the good performance of the Vivi Meglio

single-family energy and seismic upgrading initiative and the e-Mobility and e-City businesses;

- in Spain, mainly in the e-Home business;
- in Colombia, for activities related to the e-Bus project;
- in North America, for growth in demand response activities.

### Ordinary gross operating profit/(loss)

Millions of euro	1st Quarter			Change
	2022	2021		
Italy	15	24	(9)	-37.5%
Iberia	25	13	12	92.3%
Latin America	23	13	10	76.9%
- of which Argentina	1	1	-	-
- of which Brazil	1	-	1	-
- of which Chile	(1)	(3)	2	66.7%
- of which Colombia	17	10	7	70.0%
- of which Peru	5	5	-	-
North America	9	(2)	11	-
Europe	12	2	10	-
Africa, Asia and Oceania	(1)	(1)	-	-
Other	217	(8)	225	-
<b>Total</b>	<b>300</b>	<b>41</b>	<b>259</b>	<b>-</b>

**Ordinary gross operating profit** increased mainly due to the positive impact of the increase in revenue noted above, partly offset by a decline in gross operating profit on the Vivi Meglio energy and seismic upgrading initiative for condominiums.

**Gross operating profit** amounted to €299 million, an increase of €258 million. The difference with ordinary gross operating profit in 2022 amounted to €1 million and regarded provisions for charges in respect of restructuring plans for the energy transition and digitalization.

### Ordinary operating profit/(loss)

Millions of euro	1st Quarter			Change
	2022	2021		
Italy	1	13	(12)	-92.3%
Iberia	15	11	4	36.4%
Latin America	17	8	9	-
- of which Argentina	1	1	-	-
- of which Brazil	2	(1)	3	-
- of which Chile	(2)	(2)	-	-
- of which Colombia	13	7	6	85.7%
- of which Peru	3	3	-	-
North America	(5)	(12)	7	58.3%
Europe	11	1	10	-
Africa, Asia and Oceania	(2)	(2)	-	-
Other	214	(18)	232	-
<b>Total</b>	<b>251</b>	<b>1</b>	<b>250</b>	<b>-</b>

Developments in **ordinary operating profit**, including the impact of depreciation, amortization and impairment losses amounting to €49 million (€40 million in the first three months of 2021), were substantially attributable to the factors noted in the discussion of ordinary gross operating profit for the period and to the increase in depreciation and amortization recognized in Italy and North America.

**Operating profit** for the 1st Quarter of 2022 amounted to €250 million (€1 million in the year-earlier period) and reflected the factors noted for gross operating profit and an increase of €9 million in depreciation and amortization, mainly recognized in Italy and North America.

### Capital expenditure

Millions of euro	1st Quarter			Change	
	2022	2021			
Italy	19	13	6	46.2%	
Iberia	15	10	5	50.0%	
Latin America	9	5	4	80.0%	
North America	12	11	1	9.1%	
Europe	1	-	1	-	
Africa, Asia and Oceania	1	1	-	-	
Other	24 <sup>(1)</sup>	13	11	84.6%	
<b>Total</b>	<b>81<sup>(1)</sup></b>	<b>53</b>	<b>28</b>	<b>52.8%</b>	

(1) The figure does not include €1 million regarding units classified as "held for sale".

**Capital expenditure** increased mainly in Italy in the e-City business, in Iberia in the e-Home business as a result of an increase in sales volumes compared with the 1st Quarter of 2021 and in Latin America, where the greatest growth came in the e-City business in Peru (€2 million) and Co-

lombia (€1 million), with smaller advances in the e-Home and e-Industries businesses in Brazil (€1 million). Enel X Srl also posted a significant increase in capital expenditure thanks to spending on the development of global technology platforms for the digital management of its business.

# Services, Holding and Other





# Performance

Millions of euro	1st Quarter			
	2022	2021	Change	
Revenue <sup>(1)</sup>	442	441	1	0.2%
Gross operating profit/(loss)	(19)	(29)	10	34.5%
Ordinary gross operating profit/(loss)	(11)	(23)	12	52.2%
Operating profit/(loss)	(79)	(82)	3	3.7%
Ordinary operating profit/(loss)	(71)	(76)	5	6.6%
Capital expenditure	16	26	(10)	-38.5%

(1) For the sake of clarity, the Holding segment includes internal eliminations that were previously reported under intersegment eliminations and adjustments in the amount of €25 million in 2021.

The tables below show a breakdown of performance by Geographical Area in the 1st Quarter of 2022.

## Revenue

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	163	175	(12)	-6.9%
Iberia	98	85	13	15.3%
Latin America	3	7	(4)	-57.1%
Europe	6	5	1	20.0%
Other <sup>(1)</sup>	213	213	-	-
Eliminations and adjustments	(41)	(44)	3	6.8%
<b>Total</b>	<b>442</b>	<b>441</b>	<b>1</b>	<b>0.2%</b>

(1) For the sake of clarity, the Holding segment includes internal eliminations that were previously reported under intersegment eliminations and adjustments in the amount of €25 million in 2021.

**Revenue** in the 1st Quarter of 2022 was in line with that recorded in the same period of 2021. The change in revenue

in Italy and Iberia mainly regards services provided to other Group companies.

## Ordinary gross operating profit/(loss)

Millions of euro	1st Quarter			
	2022	2021	Change	
Italy	27	19	8	42.1%
Iberia	1	(2)	3	-
Latin America	(17)	(17)	-	-
- of which Argentina	(1)	(1)	-	-
- of which Brazil	(4)	(7)	3	42.9%
- of which Chile	(12)	(9)	(3)	-33.3%
North America	-	(1)	1	-
Europe	-	1	(1)	-
Other	(22)	(23)	1	4.3%
<b>Total</b>	<b>(11)</b>	<b>(23)</b>	<b>12</b>	<b>52.2%</b>

The reduction in the **ordinary gross operating loss** in the first three months of 2022 is attributable to the increase in gross operating profit registered in Italy, reflecting a reduction in costs for IT services, which more than offset a decline in revenue for the provision of services to other Group companies.

The **gross operating loss** improved by €10 million compared with the 1st Quarter of 2021. Non-recurring items include charges provisioned for restructuring plans for the energy transition and digitalization in the amount of €5 million and costs of €3 million incurred, mainly in Italy, for sanitizing workplaces, purchases of personal protective equipment and donations in response to the COVID-19 pandemic.

### Ordinary operating profit/(loss)

Millions of euro	1st Quarter			Change
	2022	2021		
Italy	11	2	9	-
Iberia	(11)	(14)	3	21.4%
Latin America	(18)	(17)	(1)	-5.9%
- of which Argentina	(1)	(1)	-	-
- of which Brazil	(4)	(7)	3	42.9%
- of which Chile	(13)	(9)	(4)	-44.4%
Europe	-	1	(1)	-
Other	(53)	(48)	(5)	-10.4%
<b>Total</b>	<b>(71)</b>	<b>(76)</b>	<b>5</b>	<b>6.6%</b>

Developments in the **ordinary operating loss** for the first three months of 2022 are essentially in line with the improvement in the gross operating loss, taking account of an increase of €7 million in depreciation, amortization and impairment losses.

The **operating loss** improved by €3 million on the 1st Quarter of 2021, reflecting the factors cited with regard to the gross operating loss and the ordinary operating loss.

### Capital expenditure

Millions of euro	1st Quarter			Change
	2022	2021		
Italy	5	8	(3)	-37.5%
Iberia	5	2	3	-
Latin America	-	5	(5)	-
Other	6	11	(5)	-45.5%
<b>Total</b>	<b>16</b>	<b>26</b>	<b>(10)</b>	<b>-38.5%</b>

The decrease of €10 million in **capital expenditure** in the first three months of 2022 is attributable to a decline in expenditure in Latin America and Italy.

# Definition of performance indicators

In order to present the results of the Group and analyze its financial structure, in the Interim Financial Report at March 31, 2022 Enel has prepared separate reclassified schedules that differ from the schedules envisaged under the IFRS-EU adopted by the Group and contained in the condensed interim consolidated financial statements. These reclassified schedules contain different performance indicators from those obtained directly from the condensed interim consolidated financial statements, which management believes are useful in monitoring the performance of the Group and representative of the financial performance and position of our business.

With regard to those indicators, on April 29, 2021, CONSOB issued warning notice no. 5/21, which gives force to the Guidelines issued on March 4, 2021 by the European Securities and Markets Authority (ESMA) on disclosure requirements under Regulation (EU) 2017/1129 (the Prospectus Regulation), which took effect on May 5, 2021.

The Guidelines update the previous CESR Recommendations (ESMA/2013/319, in the revised version of March 20, 2013) with the exception of those concerning the special issuers referred to in Annex no. 29 of Delegated Regulation (EU) 2019/980, which were not converted into Guidelines and remain applicable.

The Guidelines are intended to promote the usefulness and transparency of alternative performance indicators included in regulated information or prospectuses within the scope of application of Directive 2003/71/EC in order to improve their comparability, reliability and comprehensibility.

In line with the regulations cited above, the criteria used to construct these indicators are the following.

*Gross operating profit*: an operating performance indicator, calculated as "Operating profit" plus "Depreciation, amortization and impairment losses".

*Ordinary gross operating profit*: defined as "Gross operating profit" from core business connected with the Ownership and Stewardship business models. It does not include costs connected with corporate restructurings and costs directly attributable to the COVID-19 pandemic.

*Ordinary operating profit*: defined as "Operating profit" from core business connected with the Ownership and Stewardship business models.

It is calculated by adjusting "Operating profit" for the effects of transactions not connected with core operations referred to with regard to gross operating profit and excluding significant impairment losses on assets and/or

groups of assets following impairment testing (including reversals of impairment losses) or classification under "Assets held for sale".

*Group ordinary profit*: it is defined as "Group profit" generated by Enel's core business connected with the Ownership and Stewardship business models.

It is equal to "Group profit" adjusted primarily for the items discussed under "Ordinary operating profit", net of any tax effects and non-controlling interests.

*Net non-current assets*: calculated as the difference between "Non-current assets" and "Non-current liabilities" with the exception of:

- "Deferred tax assets";
- "Securities" and "Other financial assets" included in "Other non-current financial assets";
- "Long-term borrowings";
- "Employee benefits";
- "Provisions for risks and charges (non-current portion)";
- "Deferred tax liabilities".

*Net working capital*: calculated as the difference between "Current assets" and "Current liabilities" with the exception of:

- "Current portion of long-term loan assets", "Factoring receivables", "Securities", "Cash collateral" and "Other financial assets" included in "Other current financial assets";
- "Cash and cash equivalents";
- "Short-term borrowings" and the "Current portion of long-term borrowings";
- "Provisions for risks and charges (current portion)";
- "Other financial liabilities" included in debt.

*Net assets held for sale*: calculated as the algebraic sum of "Assets held for sale" and "Liabilities held for sale".

*Net capital employed*: calculated as the algebraic sum of "Net non-current assets" and "Net current assets", "Provisions for risks and charges", "Deferred tax liabilities" and "Deferred tax assets", as well as "Net assets held for sale".

*Net financial debt*: a financial structure indicator, determined by:

- "Long-term borrowings", "Short-term borrowings" and "Current portion of long-term borrowings", taking account of "Long- and short-term financial borrowings" included respectively in "Other non-current financial liabilities" and "Other current financial liabilities";

- net of “Cash and cash equivalents”;
- net of the “Current portion of long-term loan assets”, “Current securities” and “Other financial assets” included in “Other current financial assets”;
- net of “Non-current securities” and “Non-current financial assets” included in “Other non-current financial assets”.

More generally, the net financial debt of the Enel Group is determined in accordance with Guideline 39, issued on March 4, 2021, by ESMA, applicable as from May 5, 2021, and with warning notice no. 5/21 issued by CONSOB on April 29, 2021

## Main changes in the consolidation scope

In the two periods under review, the consolidation scope changed as a result of a number of transactions. For more information, please see note 3 of the notes to the con-

solidated consolidated financial statements at March 31, 2022.

# Outlook for operations

In the 1st Quarter of 2022 macroeconomic conditions were severely impacted by the geopolitical crisis still under way, with an increase in uncertainty about the continuation of the global recovery made possible by the roll-out of COVID-19 vaccines. As experienced in the final part of 2021, the early months of this year were characterized by the sharp rise in the prices of commodities, such as gas and coal, with a direct impact on the price of electricity. This prompted the authorities of some European countries to retain policies to limit electricity prices for consumers, with measures that in some cases penalized companies operating in electricity generation and sales.

In this context, the geographical diversification of the Group, its integrated business model along the entire value chain, a sound financial structure and a high degree of digitalization have enabled Enel to display considerable resilience, which is reflected in our performance and financial position in the 1st Quarter.

The Group's strategic action is continuing along the lines delineated in the Strategic Plan presented in November 2021.

- **Allocate capital to support the supply of decarbonized electricity:** between 2021 and 2030, the Enel Group plans to mobilize investments totaling €210 billion, making it possible to achieve total renewables capacity of about 154 GW by the end of the decade.
- **Enable the electrification of customer energy demand:** the Group's strategic actions will seek to increase value for customers in the business-to-consumer (B2C), business-to-business (B2B) and business-to-government (B2G) segments, increasing the level of electrification of these customers while simultaneously improving the services we deliver.
- **Leverage the creation of value throughout the value chain:** the Global Customers Business Line will focus on

delivering services to end users.

- **Achieve sustainable Net-Zero objectives in advance:** the Group has moved its Net-Zero commitment forward by 10 years, from 2050 to 2040, for all emissions along the value chain.

As a result of the strategic lines of action described above, between 2020 and 2030 the Group's ordinary EBITDA is expected to increase at a compound annual growth rate of 5-6%, with the ordinary profit of the Group expected to increase at a compound annual rate of 6-7%.

With regard to the period covered by the 2022-2024 Plan, in 2024 the Group's ordinary EBITDA is forecast to reach €21.0-21.6 billion, compared with €19.2 billion in 2021.

The Group's ordinary profit is expected to rise to €6.7-6.9 billion in 2024, compared with €5.6 billion in 2021.

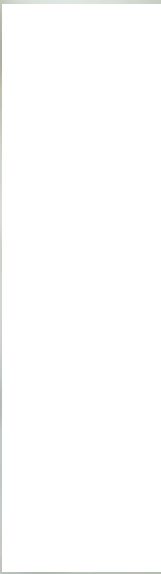
Enel's dividend policy for the 2022-2024 period remains simple, predictable and attractive. Shareholders should receive a fixed dividend per share (DPS) that is expected to increase by 13% between 2021 and 2024, reaching €0.43 per share.

The following developments are expected in 2022:

- an acceleration of investments in renewable energy to support industrial growth and as part of the Group's decarbonization policies;
- an increase in investments in distribution grids with the aim of further improving service quality and increasing the flexibility and resilience of grids;
- an increase in investments dedicated to the electrification of consumption, with the aim of leveraging the growth of the customer base, and to achieving continuous efficiency gains, supported by the development of global business platforms.

The guidance provided to investors on the occasion of the presentation of the 2022-2024 Strategic Plan in November 2021 has not changed: in 2022 the Group expects to generate ordinary EBITDA of €19.0-19.6 billion.

# **2.** Condensed consolidated financial statements at March 31, 2022







# Condensed Consolidated Income Statement

Millions of euro		1st Quarter	
	Notes	2022	2021
Total revenue <sup>(1)</sup> <sup>(2)</sup>	6.a	34,958	18,490
Total costs <sup>(1)</sup>	6.b	33,435	15,844
Net results from commodity contracts <sup>(1)</sup>	6.c	1,156	(81)
<b>Operating profit<sup>(2)</sup></b>		<b>2,679</b>	<b>2,565</b>
Financial income <sup>(2)</sup>		1,662	2,007
Financial expense		2,104	2,483
Net income/(expense) from hyperinflation	2	31	15
<b>Total net financial income/(expense)<sup>(2)</sup></b>	6.d	<b>(411)</b>	<b>(461)</b>
<b>Share of profit/(loss) of equity-accounted investments</b>	6.e	<b>43</b>	<b>34</b>
<b>Pre-tax profit</b>		<b>2,311</b>	<b>2,138</b>
Income taxes	6.f	661	643
<b>Profit/(Loss) from continuing operations</b>		<b>1,650</b>	<b>1,495</b>
<b>Profit/(Loss) from discontinued operations</b>		<b>-</b>	<b>-</b>
<b>Profit for the year (owners of the Parent and non-controlling interests)</b>		<b>1,650</b>	<b>1,495</b>
Attributable to owners of the Parent		1,430	1,176
Attributable to non-controlling interests		220	319
<b>Earnings per share</b>			
<b>Basic earnings per share</b>			
<i>Basic earnings per share</i>		<i>0.14</i>	<i>0.12</i>
<i>Basic earnings per share from continuing operations</i>		<i>0.14</i>	<i>0.12</i>
<i>Basic earnings/(loss) per share from discontinued operations</i>		<i>-</i>	<i>-</i>
<b>Diluted earnings per share</b>			
<i>Diluted earnings per share</i>		<i>0.14</i>	<i>0.12</i>
<i>Diluted earnings per share from continuing operations</i>		<i>0.14</i>	<i>0.12</i>
<i>Diluted earnings/(loss) per share from discontinued operations</i>		<i>-</i>	<i>-</i>

(1) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

(2) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

# Statement of Consolidated Comprehensive Income

Millions of euro	1st Quarter	
	2022	2021
<b>Profit for the year</b>	<b>1,650</b>	<b>1,495</b>
<b>Other comprehensive income/(expense) that may be subsequently reclassified to profit or loss (net of taxes)</b>		
Effective portion of change in the fair value of cash flow hedges	10	59
Change in the fair value of hedging costs	(60)	169
Share of the other comprehensive expense of equity-accounted investments	(211)	(17)
Change in the fair value of financial assets at FVOCI	-	4
Change in translation reserve	2,422	(208)
<b>Other comprehensive income/(expense) that may not be subsequently reclassified to profit or loss (net of taxes)</b>		
Remeasurement of net liabilities/(assets) for defined benefit plans	2	-
<b>Total other comprehensive (income)/expense for the year</b>	<b>2,163</b>	<b>7</b>
<b>Comprehensive income/(expense) for the year</b>	<b>3,813</b>	<b>1,502</b>
<b>Attributable to:</b>		
- owners of the Parent	3,214	1,231
- non-controlling interests	599	271

# Condensed Consolidated Statement of Financial Position

Millions of euro	Notes	at Mar. 31, 2022	at Dec. 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment and intangible assets		107,476	102,733
Goodwill		14,566	13,821
Equity-accounted investments		590	704
Other non-current assets <sup>(1)</sup>		27,290	23,308
<b>Total non-current assets</b>	7.a	<b>149,922</b>	<b>140,566</b>
<b>Current assets</b>			
Inventories		3,414	3,109
Trade receivables		18,959	16,076
Cash and cash equivalents		6,373	8,858
Other current assets <sup>(2)</sup>		50,138	37,089
<b>Total current assets</b>	7.b	<b>78,884</b>	<b>65,132</b>
<b>Assets classified as held for sale</b>	7.c	<b>1,438</b>	<b>1,242</b>
<b>TOTAL ASSETS</b>		<b>230,244</b>	<b>206,940</b>
<b>LIABILITIES AND EQUITY</b>			
Equity attributable to the owners of the Parent	7.d	32,648	29,653
Non-controlling interests		13,264	12,689
<b>Total equity</b>		<b>45,912</b>	<b>42,342</b>
<b>Non-current liabilities</b>			
Long-term borrowings		57,571	54,500
Provisions and deferred tax liabilities		20,598	19,180
Other non-current liabilities		16,665	14,198
<b>Total non-current liabilities</b>	7.e	<b>94,834</b>	<b>87,878</b>
<b>Current liabilities</b>			
Short-term borrowings and current portion of long-term borrowings		18,452	17,337
Trade payables		17,480	16,959
Other current liabilities		52,491	41,462
<b>Total current liabilities</b>	7.f	<b>88,423</b>	<b>75,758</b>
<b>Liabilities included in disposal groups classified as held for sale</b>	7.g	<b>1,075</b>	<b>962</b>
<b>TOTAL LIABILITIES</b>		<b>184,332</b>	<b>164,598</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>230,244</b>	<b>206,940</b>

(1) Of which long-term financial assets and other securities at March 31, 2022 equal respectively to €2,432 million (€2,289 million at December 31, 2021) and €414 million (€403 million at December 31, 2021).

(2) Of which short-term portion of long-term financial assets, short-term financial assets and other securities at March 31, 2022 equal respectively to €1,746 million (€1,538 million at December 31, 2021), €5,932 million (€6,481 million at December 31, 2021) and €75 million (€88 million at December 31, 2021).

# Statement of Changes in Consolidated Shareholders' Equity

Millions of euro		Share capital and reserves attributable to the owners of the Parent							
	Share capital	Share premium reserve	Treasury share reserve	Reserve for equity instruments - perpetual hybrid bonds	Legal reserve	Other reserves	Translation reserve	Hedging reserve	
<b>At December 31, 2020</b>	<b>10,167</b>	<b>7,476</b>	<b>(3)</b>	<b>2,386</b>	<b>2,034</b>	<b>2,268</b>	<b>(7,046)</b>	<b>(1,917)</b>	
Distribution of dividends	-	-	-	-	-	-	-	-	
Coupons paid to holders of perpetual hybrid bonds	-	-	-	-	-	-	-	-	
Equity instruments - perpetual hybrid bonds	-	-	-	2,214	-	-	-	-	
Reserve for share-based payments (LTI bonus)	-	-	-	-	-	2	-	-	
Monetary restatement (IAS 29)	-	-	-	-	-	-	-	-	
Change in the consolidation scope	-	-	-	-	-	-	-	(10)	
Transactions in non-controlling interests	-	-	-	-	-	-	(705)	(1)	
Comprehensive income for the period	-	-	-	-	-	-	(98)	(1)	
<i>of which:</i>									
- other comprehensive income	-	-	-	-	-	-	(98)	(1)	
- profit/(loss) for the period	-	-	-	-	-	-	-	-	
<b>At March 31, 2021</b>	<b>10,167</b>	<b>7,476</b>	<b>(3)</b>	<b>4,600</b>	<b>2,034</b>	<b>2,270</b>	<b>(7,849)</b>	<b>(1,929)</b>	
<b>At December 31, 2021</b>	<b>10,167</b>	<b>7,496</b>	<b>(36)</b>	<b>5,567</b>	<b>2,034</b>	<b>2,313</b>	<b>(8,125)</b>	<b>(2,268)</b>	
Distribution of dividends	-	-	-	-	-	-	-	-	
Coupons paid to holders of perpetual hybrid bonds	-	-	-	-	-	-	-	-	
Equity instruments - perpetual hybrid bonds	-	-	-	-	-	-	-	-	
Reserve for share-based payments (LTI bonus)	-	-	-	-	-	3	-	-	
Monetary restatement (IAS 29)	-	-	-	-	-	-	-	-	
Change in the consolidation scope	-	-	-	-	-	-	-	-	
Transactions in non-controlling interests	-	-	-	-	-	-	(40)	(11)	
Comprehensive income for the period	-	-	-	-	-	-	1,759	299	
<i>of which:</i>									
- other comprehensive income	-	-	-	-	-	-	1,759	299	
- profit/(loss) for the period	-	-	-	-	-	-	-	-	
<b>At March 31, 2022</b>	<b>10,167</b>	<b>7,496</b>	<b>(36)</b>	<b>5,567</b>	<b>2,034</b>	<b>2,316</b>	<b>(6,406)</b>	<b>(1,980)</b>	

Hedging costs reserve	Reserve from measurement of financial instruments at FVOCI	Reserve from equity-accounted investments	Actuarial reserve	Reserve from disposal of equity interests without loss of control	Reserve from acquisitions of non-controlling interests	Retained earnings	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
(242)	(1)	(128)	(1,196)	(2,381)	(1,292)	18,200	28,325	14,032	42,357
-	-	-	-	-	-	-	-	(251)	(251)
-	-	-	-	-	-	(8)	(8)	-	(8)
-	-	-	-	-	-	-	2,214	-	2,214
-	-	-	-	-	-	-	2	-	2
-	-	-	-	-	-	59	59	60	119
-	-	10	-	-	-	-	-	31	31
-	-	-	(81)	-	327	(6)	(466)	(792)	(1,258)
169	4	(19)	-	-	-	1,176	1,231	271	1,502
169	4	(19)	-	-	-	-	55	(48)	7
-	-	-	-	-	-	1,176	1,176	319	1,495
(73)	3	(137)	(1,277)	(2,381)	(965)	19,421	31,357	13,351	44,708
(39)	10	(721)	(1,325)	(2,378)	(843)	17,801	29,653	12,689	42,342
-	-	-	-	-	-	-	-	(413)	(413)
-	-	-	-	-	-	(30)	(30)	-	(30)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	3	-	3
-	-	-	-	-	-	93	93	73	166
-	-	24	-	-	-	-	24	(1)	23
5	-	-	(2)	-	(261)	-	(309)	317	8
(61)	-	(214)	1	-	-	1,430	3,214	599	3,813
(61)	-	(214)	1	-	-	-	1,784	379	2,163
-	-	-	-	-	-	1,430	1,430	220	1,650
(95)	10	(911)	(1,326)	(2,378)	(1,104)	19,294	32,648	13,264	45,912

# Condensed Consolidated Statement of Cash Flows

Millions of euro	1st Quarter	
	2022	2021
<b>Pre-tax profit</b>	<b>2,311</b>	<b>2,138</b>
Adjustments for:		
Net impairment losses on trade receivables and other financial assets	288	195
Depreciation, amortization and other impairment losses	1,479	1,371
Net financial (income)/expense <sup>(1)</sup>	411	461
Net gains from equity-accounted investments	(43)	(34)
Changes in net working capital:		
- inventories	(259)	(311)
- trade receivables	(2,264)	(568)
- trade payables	122	(161)
- other contract assets	(14)	(50)
- other contract liabilities	(73)	(97)
- other assets/liabilities <sup>(1)</sup>	(2,268)	167
Interest expense and other financial expense and income paid and received	(326)	(400)
Other changes	(71)	(162)
<b>Cash flows from operating activities (A)</b>	<b>(707)</b>	<b>2,549</b>
Investments in property, plant and equipment, intangible assets and non-current contract assets	(2,550)	(2,055)
Investments in entities (or business units) less cash and cash equivalents acquired	(1,223)	(208)
Disposals of entities (or business units) less cash and cash equivalents sold	21	51
(Increase)/Decrease in other investing activities	127	28
<b>Cash flows used in investing activities (B)</b>	<b>(3,625)</b>	<b>(2,184)</b>
New long-term borrowing	3,959	272
Repayments of borrowings	(1,603)	(606)
Other changes in net financial debt	1,406	(944)
Payments for acquisition of equity investments without change of control and other transactions in non-controlling interests	15	(1)
Issues/(Redemptions) of hybrid bonds	-	2,214
Coupons paid to holders of hybrid bonds	(30)	(8)
Dividends and interim dividends paid	(2,090)	(2,048)
<b>Cash flows used in financing activities (C)</b>	<b>1,657</b>	<b>(1,121)</b>
<b>Impact of exchange rate fluctuations on cash and cash equivalents (D)</b>	<b>201</b>	<b>(12)</b>
<b>Increase/(Decrease) in cash and cash equivalents (A+B+C+D)</b>	<b>(2,474)</b>	<b>(768)</b>
Cash and cash equivalents at the beginning of the period <sup>(2)</sup>	8,990	6,002
Cash and cash equivalents at the end of the period <sup>(3)</sup>	6,516	5,234

(1) For comparative purposes only, in the 1st Quarter of 2021 the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 was reclassified from financial income to revenue. The latter classification did not have an impact on cash flows from operating activities. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

(2) Of which cash and cash equivalents equal to €8,858 million at January 1, 2022 (€5,906 million at January 1, 2021), short-term securities equal to €88 million at January 1, 2022 (€67 million at January 1, 2021) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €44 million at January 1, 2022 (€29 million at January 1, 2021).

(3) Of which cash and cash equivalents equal to €6,373 million at March 31, 2022 (€5,138 million at March 31, 2021), short-term securities equal to €75 million at March 31, 2022 (€74 million at March 31, 2021) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €68 million at March 31, 2022 (€22 million at March 31, 2021).

# Notes to the condensed consolidated financial statements at March 31, 2022

## 1. Accounting policies and measurement criteria

The accounting standards adopted, the recognition and measurement criteria and the consolidation criteria and methods used for the condensed consolidated financial statements at March 31, 2022 are the same as those adopted for the consolidated financial statements at December 31, 2021 (please see the related report for more information). In addition, as from January 1, 2022 the following amendments of accounting standards have become applicable to the Enel Group.

- *“Amendments to IFRS 3 – Reference to the Conceptual Framework”*, issued in May 2020. The amendments are intended to update the definitions of assets and liabilities in the standard to those set out in the Conceptual Framework for Financial Reporting issued in March 2018 (Conceptual Framework<sup>(3)</sup>).

Nevertheless, as an exception an acquirer shall not apply the definitions of assets and liabilities given in the Conceptual Framework but rather those in the relevant standard in the following cases:

- liabilities and contingent liabilities within the scope of “IAS 37 – Provisions, Contingent Liabilities and Contingent Assets”;
- levies within the scope of “IFRIC 21 – Levies”.

Finally, the amendments clarify that the acquirer shall not recognize a contingent asset acquired in a business combination at the acquisition date.

Entities shall apply these amendments to business combinations for which the acquisition date is on or after January 1, 2022.

- *“Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before Intended Use”*, issued in May 2020. The amendments prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced before bringing such items into use, i.e. while the entity is bringing the item of PPE to the location or the condition necessary for it to be capable of operating in the manner intended by management: the proceeds of the sale of each such

item and the related cost determined in accordance with “IAS 2 – Inventories” shall be recognized through profit or loss.

In order to clarify the guidelines for determining when an asset can be considered available for use, the amendments specify that, when testing whether an asset is functioning properly, an entity assesses whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes. For this reason, the assessment of functioning properly is not an assessment of the financial performance of an asset, such as assessing whether the asset has achieved the level of operating margin initially anticipated by management.

The amendments shall take effect from annual reporting periods beginning on or after January 1, 2022. An entity shall apply the amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

- *“Amendments to IAS 37 – Onerous Contracts – Costs of Fulfilling a Contract”*, issued in May 2020. The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. To this end, the cost of fulfilling a contract comprises the costs that relate directly to the contracts, namely:
  - the incremental costs of fulfilling that contract (for example, direct labor and materials); and
  - an allocation of other costs that relate directly to fulfilling contracts (for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others).

(3) The Conceptual Framework adopts the following definitions: a) an asset is a present economic resource controlled by the entity as a result of past events. An economic resource is a right that has the potential to produce economic benefits; b) a liability is a present obligation of the entity to transfer an economic resource as a result of past events. An obligation is a duty or responsibility that an entity has no practical ability to avoid.

The amendments shall be applied for annual reporting periods beginning on or after 1 January 2022. An entity shall apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to equity at the date of initial application, without restating comparative information.

- “Annual improvements to IFRS Standards 2018-2020”, issued in May 2020. The document mainly comprises amendments to the following standards:
  - “IFRS 1 - First-time Adoption of International Financial Reporting Standards”; the amendment simplifies the application of IFRS 1 by an investee (subsidiary, associate or joint venture) that becomes a first-time adopter of IFRS Standards after its parent has already adopted them. More specifically, IFRS 1 already provides for an exemption in the event that no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary, on the basis of which a subsidiary adopting the IFRS for the first time after its parent company can recognize assets and liabilities at the carrying amounts recognized in the consolidated financial statements of the parent at the parent’s date of transition to the IFRS. In this regard, the IASB decided to extend the voluntary exemption envisaged under IFRS 1 to include cumulative translation differences for all foreign operations, specifying that a subsidiary may elect, in its financial statements, to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent’s consolidated financial statements, based on the parent’s date of transition to IFRSs;
  - IFRS 9 - *Financial Instruments*”; the amendment clar-

ifies which fees to be included in the “10 per cent” test for derecognition of a financial liability that has been modified or exchanged, i.e. when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.<sup>(4)</sup> The amendment specifies that determining fees paid net of fees received, the borrower shall include only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other party’s behalf.

The amendment shall apply for annual reporting period beginning on or after January 1, 2022. An entity shall apply the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment;

- “IFRS 16 - Leases”; the IASB modified *Illustrative Example 13* accompanying “IFRS 16 - Leases”. Specifically, the amendment deletes the illustration of the reimbursement by the lessor of leasehold improvements in order to eliminate the possibility of confusion concerning the treatment of lease incentives in application of the standard. The example had not explained clearly enough the conclusion as to whether the reimbursement would meet the definition of a lease incentive;
- “IAS 41 - Agriculture”; the amendment removes the requirement to exclude cash flows for taxation when measuring fair value within the scope of application of IAS 41, thus aligning the requirements of the standard concerning fair value measurement with those in “IFRS 13 - Fair Value Measurement”. Accordingly, on the basis of specific facts and circumstances, when applying a present value technique, fair value might be measured by discounting after-tax cash flows using an after-tax discount rate or pre-tax cash flows at a rate consistent with those cash flows.

## Seasonality

The turnover and performance of the Group could be impacted, albeit slightly, by developments in weather conditions. More specifically, in warmer periods of the year, gas sales decline, while during periods in which factories are closed for holidays, electricity sales decline. In view of the

slight financial impact of these variations, considering that the Group’s operations are spread across both hemispheres, no additional disclosure (required under IAS 34.21) for developments in the three months ended March 31, 2022 is provided.

(4) Pursuant to IFRS 9, those terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability.



## 2. Effects of the introduction of new accounting standards and policies

### Reclassification of commodity contracts with physical settlement

In order to improve the representation of contracts entered into for the purchase or sale of commodities with physical settlement (that do not qualify for the own use exemption) measured at fair value through profit or loss (within the scope of IFRS 9), the Group modified their presentation in the consolidated financial statements in the 3rd Quarter of 2021.

More specifically, in the 1st Quarter of 2021:

- the unrealized fair value gain or loss on energy commodity sales contracts outstanding at the reporting date were presented under "Revenue from sales and services";
- the unrealized fair value gain or loss on energy commodity purchase contracts outstanding at the report-

ing date were presented under "Electricity, gas and fuel" and "Services and other materials".

Under the new presentation method, in the 1st Quarter of 2022 the unrealized fair value gain or loss on contracts for the purchase or sale of energy commodities outstanding at the reporting date are recognized on a net basis under the item "Net results from commodity contracts".

The new presentation method constitutes a change in accounting policy, in accordance with "IAS 8 - Accounting policies, changes in accounting estimates and errors".

Accordingly, it was necessary to restate the income statement balances for the 1st Quarter of 2021 for comparative purposes only, with no impact on either net profit or equity.

### Reclassification of the remeasurement at fair value of assets in respect of concession arrangements (IFRIC 12) in Brazil

In order to improve the representation of the remeasurement at fair value of financial assets in respect of concession arrangements within the scope of application of IFRIC 12 in Brazil in profit or loss, as from the 4th Quarter of 2021 the item was reclassified from financial income to revenue from contracts with customers (IFRS 15) since it refers to the remeasurement at fair value of contract assets. In order to ensure the comparability of the figures, it was necessary to

carry out the reclassification for comparative purposes only for the income statement items for the 1st Quarter of 2021.

That said, the following table reports the reclassifications made to costs, revenue, net results from commodity contracts and financial income in order to restate the comparative figures for the 1st Quarter of 2021.

## Impact on the income statement

Millions of euro	Notes	1st Quarter			2021 restated
		2021	Effect of reclassification of energy commodity contracts with physical settlement IFRS 9	Effect of reclassification of remeasurement at fair value of financial assets in respect of concession arrangements within scope of IFRIC 12 in Brazil	
Total revenue	6.a	17,107	1,343	40	18,490
Total costs	6.b	14,864	980		15,844
Net results from commodity contracts	6.c	282	(363)		(81)
<b>Operating profit</b>		<b>2,525</b>	<b>-</b>	<b>40</b>	<b>2,565</b>
Financial income		2,047		(40)	2,007
Financial expense		2,483			2,483
Net income/(expense) from hyperinflation	2	15			15
<b>Total net financial income/(expense)</b>	6.d	<b>(421)</b>	<b>-</b>	<b>(40)</b>	<b>(461)</b>
<b>Share of profit/(loss) of equity-accounted investments</b>	6.e	<b>34</b>			<b>34</b>
<b>Pre-tax profit</b>		<b>2,138</b>	<b>-</b>	<b>-</b>	<b>2,138</b>
Income taxes	6.f	643			643
<b>Profit/(Loss) from continuing operations</b>		<b>1,495</b>	<b>-</b>	<b>-</b>	<b>1,495</b>
<b>Profit/(Loss) from discontinued operations</b>		<b>-</b>			<b>-</b>
<b>Profit for the year (owners of the Parent and non-controlling interests)</b>		<b>1,495</b>	<b>-</b>	<b>-</b>	<b>1,495</b>
Attributable to owners of the Parent		1,176			1,176
Attributable to non-controlling interests		319			319
<b>Earnings per share</b>					
<b>Basic earnings per share</b>					
Basic earnings per share		0.12			0.12
Basic earnings per share from continuing operations		0.12			0.12
Basic earnings/(loss) per share from discontinued operations		-			-
<b>Diluted earnings per share</b>					
Diluted earnings per share		0.12			0.12
Diluted earnings per share from continuing operations		0.12			0.12
Diluted earnings/(loss) per share from discontinued operations		-			-

The figures presented in the comments and the tables of the notes to these condensed consolidated financial sta-

tements at March 31, 2022 are uniform and comparable with each other.

## Argentina - Hyperinflationary economy: impact of the application of IAS 29

As from July 1, 2018, the Argentine economy has been considered hyperinflationary based on the criteria established by "IAS 29 - Financial reporting in hyperinflationary economies". This designation is determined following an assessment of a series of qualitative and quantitative circumstances, including the presence of a cumulative inflation rate of more than 100% over the previous three years.

For the purposes of preparing these condensed conso-

lidated financial statements and in accordance with IAS 29, certain items of the balance sheets of the investees in Argentina have been remeasured by applying the general consumer price index to historical data in order to reflect changes in the purchasing power of the Argentine peso at the reporting date for those companies.

Bearing in mind that the Enel Group acquired control of the Argentine companies on June 25, 2009, the remeasurement of the non-monetary balance sheet figures

was conducted by applying the inflation indices starting from that date. In addition to being already reflected in the opening balance sheet, the accounting effects of that remeasurement also include changes during the period. More specifically, the effect of the remeasurement of non-monetary items, the components of equity and the components of the income statement recognized in the first three months of 2022 was recognized in a specific line of the income statement under financial income and expense. The associated tax effect was recognized in taxes for the period.

In order to also take account of the impact of hyperinflation on the exchange rate of the local currency, the income statement balances expressed in the hyperinflationary currency have been translated into the Group's presentation currency (euro) applying, in accordance with IAS 21, the closing exchange rate rather than the average rate for the period in order to adjust these amounts to current values.

The cumulative changes in the general price indices from December 31, 2018 to March 31, 2022 are shown in the following table.

Periods	Cumulative change in general consumer price index
From July 1, 2009 to December 31, 2018	346.30%
From January 1, 2019 to December 31, 2019	54.46%
From January 1, 2020 to December 31, 2020	35.41%
From January 1, 2021 to December 31, 2021	49.73%
From January 1, 2022 to March 31, 2022	15.23%

In the 1st Quarter of 2022, the application of IAS 29 generated net financial income from hyperinflation adjustments (gross of tax) of €31 million.

The following tables report the effects of IAS 29 on the balance at March 31, 2022 and the impact of hyperinflation on the main income statement items for the 1st Quarter of

2022, differentiating between that concerning the revaluation on the basis of the general consumer price index and that due to the application of the closing exchange rate rather than the average exchange rate for the period in accordance with the provisions of IAS 21 for hyperinflationary economies.

Millions of euro	Cumulative hyperinflation effect at Dec. 31, 2021	Hyperinflation effect for the period	Exchange differences	Cumulative hyperinflation effect at March 31, 2022
Total assets	1,366	253	(132)	1,487
Total liabilities	346	133	(50)	429
Equity	1,020	120 <sup>(1)</sup>	(82)	1,058

(1) The figure includes the loss for the first three months of 2022, equal to €46 million.

Millions of euro	1st Quarter 2022		
	IAS 29 effect	IAS 21 effect	Total effect
Revenue	7	(7)	-
Costs	33 <sup>(1)</sup>	(6)	27
<b>Operating income</b>	<b>(26)</b>	<b>(1)</b>	<b>(27)</b>
Net financial income/(expense)	-	1	1
Net income/(expense) from hyperinflation	31	-	31
<b>Pre-tax profit/(loss)</b>	<b>5</b>	<b>-</b>	<b>5</b>
Income taxes	51	2	53
<b>Loss for the year (owners of the Parent and non-controlling interests)</b>	<b>(46)</b>	<b>(2)</b>	<b>(48)</b>
Attributable to owners of the Parent	(22)	-	(22)
Attributable to non-controlling interests	(24)	(2)	(26)

(1) The figure includes the impact on depreciation, amortization and impairment losses of €21 million.

### 3. Main changes in the consolidation scope

At March 31, 2022, the scope of consolidation had changed with respect to March 31, 2021 and December 31, 2021, as a result of the following main transactions.

#### 2021

- On January 8, 2021, 100% of Tynemouth Energy Storage was sold for €1 million. The sale did not have any significant impact on profit or loss.
- On January 20, 2021, 100% of Enel Green Power Bulgaria was sold for a total of €35 million. The sale did not have any significant impact on profit or loss.
- On March 10, 2021, Enel Green Power Italia acquired 100% of e-Solar Srl, the owner of a photovoltaic project with an authorized capacity of 170.11 MW, for €2.7 million.
- On March 29, 2021, Enel X Srl acquired 100% of City-Poste Payment SpA, an Italian company that offers consumers access to payment services through both physical and digital channels, enabling them to carry out numerous types of transactions with private- and public-sector entities.
- In the 1st Quarter of 2021, the consolidation scope changed with the full consolidation of Australian renewable energy companies previously accounted for using the equity method due to a change in governance arrangements at the companies, without the acquisition of an additional interest. The purchase price allocation process was completed in December 2021 and essentially confirmed the carrying amount of the net assets acquired following an impairment loss of about €9 million.
- On May 13, 2021, EGP Solar 1 LLC was sold for a total of about €4 million.
- In the first nine months of 2021, Enel Green Power España acquired 100% of 30 renewables companies for a total of €86 million.
- On September 8, 2021, Genability was sold by Enel X North America for about €6 million.
- The purchase price allocation process for Viva Labs AS,

acquired on September 17, 2020 by Enel X International, was completed in September, following which the carrying amounts recognized at the acquisition date were confirmed.

In addition to the above changes in the consolidation scope, in 2021 the following transactions, although they do not represent transactions involving the acquisition or loss of control, gave rise to a change in the interest held by the Group in the investees:

- on March 15, Enel SpA launched a partial voluntary tender offer for up to a maximum of 7,608,631,104 shares of Enel Américas, equal to 10% of the share capital at that date. The offer period began on March 15 and ended on April 13, 2021. The tender offer was subject to the merger of EGP Américas SpA into Enel Américas SA being completed, which took place on April 1, 2021. The total price was €1,271 million. Following completion of the partial voluntary tender offer and the completion of the EGP Américas merger, Enel owns about 82.3% of the outstanding share capital of Enel Américas;
- on November 24, Enel Green Power RSA 2 (Pty) Ltd sold a stake in the investments held in Oyster Bay Wind Farm, Garob Wind Farm, Aced Renewables Hidden Valley and Soetwater Wind Farm for a total of ZAR 340 million, corresponding to about €19 million. Following the transaction, the Group's interest in those companies decreased from 60% to 55%;
- on December 3, Enel SpA finalized the sale of the entire stake held in Open Fiber SpA, equal to 50% of the latter's share capital, to Macquarie Asset Management and CDP Equity SpA for a total of about €2,733 million. The capital gain realized by the Group on a consolidated basis came to about €1,763 million.

#### 2022

- On January 3, 2022, Enel Produzione SpA acquired 100% of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl), owner of generation plants with an installed capacity of about 527 MW and an annual output of approximately 1.5 TWh, for around €1,265 million.
- On February 17, 2022, Enel Green Power España acquired 100% of Stonewood Desarrollos SLU for about

€14 million, representing the licenses acquired for the development and construction of photovoltaic systems. The acquisition had no impact on profit or loss.

- On March 3, 2022, Enel X Germany sold its entire stake in Cremzow KG and Cremzow Verwaltungs for about €12 million.

## Other changes

In addition to the above changes in the consolidation scope, the following transactions, although they do not represent transactions involving the acquisition or loss of control, gave rise to a change in the interest held by the Group in the investees:

- on March 1, 2022, the merger between Emgesa SA ESP (acquiring entity), Codensa SA ESP, Enel Green Power Colombia SAS ESP and ESSA 2 (merged entities). The new name of the surviving company is Enel Colombia SA ESP. Following the transaction, the Group's stake in Emgesa SA ESP (now Enel Colombia SA ESP) increased from 48.48% to about 57.34%;
- on March 24, 2022, Enel X International Srl finalized an

agreement with a holding company controlled by Sixth Cinven Fund and a holding company controlled by Seventh Cinven Fund to indirectly acquire about 79.4% of the share capital of Ufinet Latam SLU (for €1,320 million) and at the same time sold 80.5% of the share capital of that company to Seventh Cinven Fund (for €1,186 million). Enel X International also received about €207 million from Ufinet as a distribution of available reserves. Consequently, Enel X International now holds an indirect stake of 19.5% in Ufinet, of which it had previously held 20.6%. The transaction generated a positive net cash flow of about €73 million and had a positive impact on operating performance of about €220 million.

## Acquisition of ERG Hydro Srl

On January 3, 2022, Enel Produzione SpA acquired 100% of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl), owner of generation plants with an installed capacity of about 527 MW and an annual output of approximately 1.5

TWh, for around €1,265 million.

The Group will determine the fair value of the assets acquired and the liabilities assumed within 12 months of the acquisition date.

### Determination of goodwill

Millions of euro	Amount recognized at January 3, 2022
Non-current assets	625
Current assets	163
Non-current liabilities	(39)
Current liabilities	(69)
<b>Net assets acquired</b>	<b>680</b>
<b>Cost of the acquisition</b>	<b>1,265</b>
<i>(of which paid in cash)</i>	<i>1,265</i>
Goodwill	585

## Sale of Ufinet stake

On March 24, 2022, Enel X International Srl sold 1.1% of its investment in Ufinet.

The financial effects of the transaction are as follows.

Millions of euro	
Price for acquisition of 79.4% through exercise of call option with Sixth Cinven Fund	(1,320)
Distribution of Ufinet reserves	207
Price for sale of 80.5% to Seventh Cinven Fund	1,186
<b>Net cash flow of transaction</b>	<b>73</b>
<b>Capital gain on sale of interest (1.1%)</b>	<b>(6)</b>
<b>Release of OCI reserve</b>	<b>(24)</b>
<b>Net capital gain on sale</b>	<b>43</b>
<b>Fair value measurement of interest already held (19.5%)</b>	<b>177</b>
<b>Total financial impact</b>	<b>220</b>

Following the transaction, the residual investment in Ufinet was classified under other investments measured at fair

value through other comprehensive income. Previously it had been accounted for using the equity method.

## 4. COVID-19

In line with the recommendations of ESMA, contained in the public statements<sup>(5)</sup> published in March, May, July and October 2020, and of CONSOB, contained in warning notices no. 6/20 of April 9, 2020, no. 8/20 of July 16, 2020 and no. 1/21 of February 16, 2021, the Group has continued to carefully monitor the evolution of the COVID-19 pandemic with regard to the main areas affected by it and in the main countries in which it operates, as already discussed in the Integrated Annual Report at December 31, 2021, in order to assess, based on our specific corporate circumstances and the availability of reliable information, the scale of the impact of COVID-19 on operations, performance and

financial position of the Group at March 31, 2022. In this regard, note that the figures registered in the 1st Quarter of 2022 were not significantly affected by the COVID-19 pandemic. In particular, the changes in revenue and receivables in the period compared with the year-earlier period did not display any anomalous developments attributable to the direct and/or indirect effects of the pandemic. Nor did non-financial assets and any impairment losses recognized (IAS 36) as well as the measurement of trade receivables (IFRS 9) experience any significant changes compared with December 31, 2021 as a result of the COVID-19 pandemic that would require further discussion.

## 5. Segment reporting

The presentation of performance and financial position by Business Line and Geographical Area presented here is based

on the approach used by management in monitoring Group performance for the two periods being compared.

### Performance by primary segment (Business Line)

#### 1st Quarter of 2022<sup>(1)</sup>

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Holding and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	13,034	1,457	4,177	15,601	676	5	8	34,958	-	34,958
Revenue and other income from transactions with other segments	4,403	674	879	399	19	398	31	6,803	(6,803)	-
<b>Total revenue</b>	<b>17,437</b>	<b>2,131</b>	<b>5,056</b>	<b>16,000</b>	<b>695</b>	<b>403</b>	<b>39</b>	<b>41,761</b>	<b>(6,803)</b>	<b>34,958</b>
Total costs	16,574	1,499	3,331	16,205	396	381	85	38,471	(6,803)	31,668
Net results from commodity contracts	732	94	-	325	-	1	4	1,156	-	1,156
Depreciation and amortization	213	349	704	109	42	46	14	1,477	-	1,477
Impairment losses	7	8	30	320	7	-	-	372	-	372
Impairment gains	(3)	(3)	(22)	(54)	-	-	-	(82)	-	(82)
<b>Operating profit</b>	<b>1,378</b>	<b>372</b>	<b>1,013</b>	<b>(255)</b>	<b>250</b>	<b>(23)</b>	<b>(56)</b>	<b>2,679</b>	<b>-</b>	<b>2,679</b>
<b>Capital expenditure</b>	<b>98</b>	<b>1,095<sup>(2)</sup></b>	<b>1,057</b>	<b>186</b>	<b>81<sup>(3)</sup></b>	<b>13</b>	<b>3</b>	<b>2,533</b>	<b>-</b>	<b>2,533</b>

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) Does not include €16 million regarding units classified as "held for sale".

(3) Does not include €1 million regarding units classified as "held for sale".

(5) ESMA 71-99-1290 of March 11 2020, ESMA 32-63-951 of March 25, 2020, ESMA 31-67-742 of March 27, 2020, ESMA 32-63-972 of May 20, 2020, ESMA 32-61-417 of July 21, 2020 and ESMA 32-63-1043 of October 28, 2020.

**1st Quarter of 2021<sup>(1) (2) (3) (4)</sup>**

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Holding and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	4,956	1,441	3,736	8,067	283	4	3	18,490	-	18,490
Revenue and other income from transactions with other segments	2,092	514	920	189	8	404	30	4,157	(4,157)	-
<b>Total revenue</b>	<b>7,048</b>	<b>1,955</b>	<b>4,656</b>	<b>8,256</b>	<b>291</b>	<b>408</b>	<b>33</b>	<b>22,647</b>	<b>(4,157)</b>	<b>18,490</b>
Total costs	6,595	905	2,922	7,290	250	394	79	18,435	(4,157)	14,278
Net results from commodity contracts	(28)	2	-	(58)	-	1	2	(81)	-	(81)
Depreciation and amortization	223	311	652	96	35	44	8	1,369	-	1,369
Impairment losses	2	4	10	237	10	-	1	264	-	264
Impairment gains	(2)	(5)	(7)	(48)	(5)	-	-	(67)	-	(67)
<b>Operating profit</b>	<b>202</b>	<b>742</b>	<b>1,079</b>	<b>623</b>	<b>1</b>	<b>(29)</b>	<b>(53)</b>	<b>2,565</b>	<b>-</b>	<b>2,565</b>
<b>Capital expenditure</b>	<b>96</b>	<b>842<sup>(5)</sup></b>	<b>910</b>	<b>108</b>	<b>53</b>	<b>22</b>	<b>4</b>	<b>2,035</b>	<b>-</b>	<b>2,035</b>

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) The figures for revenue from third parties and transactions with other segments have been calculated more accurately.

(3) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

(4) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

(5) Does not include €20 million regarding units classified as "held for sale".

## Performance by secondary segment (Geographical Area)

### 1st Quarter of 2022<sup>(1)</sup>

Millions of euro	Italy	Iberia	Latin America	Europe	North America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
Revenue and other income from third parties	21,488	7,571	4,320	842	399	65	273	34,958
Revenue and other income from transactions with other segments	49	5	25	7	8	-	(94)	-
<b>Total revenue</b>	<b>21,537</b>	<b>7,576</b>	<b>4,345</b>	<b>849</b>	<b>407</b>	<b>65</b>	<b>179</b>	<b>34,958</b>
Total costs	20,736	6,561	3,148	951	244	37	(9)	31,668
Net results from commodity contracts	1,230	(125)	25	10	12	-	4	1,156
Depreciation and amortization	516	431	324	47	99	20	40	1,477
Impairment losses	155	104	93	16	4	-	-	372
Impairment gains	-	(67)	(1)	(14)	-	-	-	(82)
<b>Operating profit</b>	<b>1,360</b>	<b>422</b>	<b>806</b>	<b>(141)</b>	<b>72</b>	<b>8</b>	<b>152</b>	<b>2,679</b>
<b>Capital expenditure</b>	<b>812</b>	<b>402</b>	<b>650</b>	<b>47</b>	<b>508</b>	<b>78<sup>(2)</sup></b>	<b>36<sup>(3)</sup></b>	<b>2,533</b>

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) Does not include €16 million regarding units classified as "held for sale".

(3) Does not include €1 million regarding units classified as "held for sale".

### 1st Quarter of 2021<sup>(1) (2) (3)</sup>

Millions of euro	Italy	Iberia	Latin America	Europe	North America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
Revenue and other income from third parties	9,649	4,476	3,482	552	257	46	28	18,490
Revenue and other income from transactions with other segments	217	(2)	-	1	6	-	(222)	-
<b>Total revenue</b>	<b>9,866</b>	<b>4,474</b>	<b>3,482</b>	<b>553</b>	<b>263</b>	<b>46</b>	<b>(194)</b>	<b>18,490</b>
Total costs	7,771	3,459	2,576	428	165	30	(151)	14,278
Net results from commodity contracts	(29)	(18)	(1)	-	(36)	-	3	(81)
Depreciation and amortization	489	429	282	44	83	14	28	1,369
Impairment losses	112	83	47	13	-	-	9	264
Impairment gains	-	(51)	-	(14)	-	(2)	-	(67)
<b>Operating profit</b>	<b>1,465</b>	<b>536</b>	<b>576</b>	<b>82</b>	<b>(21)</b>	<b>4</b>	<b>(77)</b>	<b>2,565</b>
<b>Capital expenditure</b>	<b>683</b>	<b>271</b>	<b>626</b>	<b>109</b>	<b>280</b>	<b>37<sup>(4)</sup></b>	<b>29</b>	<b>2,035</b>

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

(3) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

(4) Does not include €20 million regarding units classified as "held for sale".



## Financial position by primary segment (Business Line)

At March 31, 2022

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Holding and Other	Total reporting segment	Eliminations and adjustments	Total
Property, plant and equipment	9,376	39,076	39,379	49	619	564	12	89,075	1	89,076
Intangible assets	212	5,790	22,605	4,114	823	359	133	34,036	-	34,036
Non-current and current contract assets	-	-	712	-	81	11	-	804	49	853
Trade receivables	6,009	2,988	7,141	8,739	627	601	348	26,453	(7,475)	18,978
Other	5,768	1,165	926	4,589	2,329	1,628	787	17,192	(6,978)	10,214
<b>Operating assets</b>	<b>21,365<sup>(1)</sup></b>	<b>49,019<sup>(2)</sup></b>	<b>70,763<sup>(3)</sup></b>	<b>17,491</b>	<b>4,479<sup>(4)</sup></b>	<b>3,163</b>	<b>1,280</b>	<b>167,560</b>	<b>(14,403)</b>	<b>153,157</b>
Trade payables	6,589	3,009	4,130	8,625	618	1,022	121	24,114	(6,610)	17,504
Non-current and current contract liabilities	56	174	7,328	15	15	13	-	7,601	(30)	7,571
Sundry provisions	5,253	1,020	4,091	447	57	649	607	12,124	(82)	12,042
Other	4,671	1,728	8,131	5,024	1,004	708	544	21,810	(6,714)	15,096
<b>Operating liabilities</b>	<b>16,569</b>	<b>5,931<sup>(5)</sup></b>	<b>23,680</b>	<b>14,111</b>	<b>1,694<sup>(6)</sup></b>	<b>2,392</b>	<b>1,272</b>	<b>65,649</b>	<b>(13,436)</b>	<b>52,213</b>

(1) Of which €2 million regarding units classified as "held for sale".

(2) Of which €1,120 million regarding units classified as "held for sale".

(3) Of which €1 million regarding units classified as "held for sale".

(4) Of which €143 million regarding units classified as "held for sale".

(5) Of which €38 million regarding units classified as "held for sale".

(6) Of which €65 million regarding units classified as "held for sale".

At December 31, 2021

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Holding and Other	Total reporting segment	Eliminations and adjustments	Total
Property, plant and equipment	9,384	36,205	38,635	49	600	587	12	85,472	-	85,472
Intangible assets	216	5,016	21,473	4,030	788	370	143	32,036	-	32,036
Non-current and current contract assets	1	1	525	-	77	4	-	608	43	651
Trade receivables	4,814	2,601	6,731	6,533	547	882	435	22,543	(6,451)	16,092
Other	4,319	826	2,614	3,812	383	635	1,614	14,203	(6,107)	8,096
<b>Operating assets</b>	<b>18,734<sup>(1)</sup></b>	<b>44,649<sup>(2)</sup></b>	<b>69,978</b>	<b>14,424</b>	<b>2,395<sup>(3)</sup></b>	<b>2,478</b>	<b>2,204</b>	<b>154,862</b>	<b>(12,515)</b>	<b>142,347</b>
Trade payables	5,730	3,701	4,390	7,129	726	982	169	22,827	(5,843)	16,984
Non-current and current contract liabilities	102	216	7,316	62	13	13	-	7,722	(75)	7,647
Sundry provisions	4,586	936	3,810	466	58	671	620	11,147	(89)	11,058
Other	4,125	1,901	8,104	4,575	148	1,070	2,582	22,505	(6,245)	16,260
<b>Operating liabilities</b>	<b>14,543</b>	<b>6,754<sup>(4)</sup></b>	<b>23,620</b>	<b>12,232</b>	<b>945<sup>(5)</sup></b>	<b>2,736</b>	<b>3,371</b>	<b>64,201</b>	<b>(12,252)</b>	<b>51,949</b>

(1) Of which €2 million regarding units classified as "held for sale".

(2) Of which €999 million regarding units classified as "held for sale".

(3) Of which €136 million regarding units classified as "held for sale".

(4) Of which €28 million regarding units classified as "held for sale".

(5) Of which €57 million regarding units classified as "held for sale".

## Financial position by secondary segment (Geographical Area)

At March 31, 2022

Millions of euro	Italy	Iberia	Latin America	Europe	North America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
Property, plant and equipment	28,228	22,995	20,677	3,402	11,471	2,158	145	89,076
Intangible assets	2,950	16,083	12,733	764	565	209	732	34,036
Non-current and current contract assets	104	8	703	-	22	9	7	853
Trade receivables	7,798	4,981	5,557	740	199	51	(348)	18,978
Other	5,704	2,730	1,678	279	319	164	(660)	10,214
<b>Operating assets</b>	<b>44,784<sup>(1)</sup></b>	<b>46,797</b>	<b>41,348<sup>(2)</sup></b>	<b>5,185</b>	<b>12,576</b>	<b>2,591<sup>(3)</sup></b>	<b>(124)<sup>(4)</sup></b>	<b>153,157</b>
Trade payables	9,918	2,959	4,101	546	936	126	(1,082)	17,504
Non-current and current contract liabilities	4,125	3,010	40	440	-	1	(45)	7,571
Sundry provisions	3,735	4,264	2,818	325	136	35	729	12,042
Other	4,664	3,492	5,756	341	1,458	67	(682)	15,096
<b>Operating liabilities</b>	<b>22,442<sup>(5)</sup></b>	<b>13,725</b>	<b>12,715</b>	<b>1,652</b>	<b>2,530</b>	<b>229<sup>(6)</sup></b>	<b>(1,080)<sup>(7)</sup></b>	<b>52,213</b>

(1) Of which €2 million regarding units classified as "held for sale".

(2) Of which €1 million regarding units classified as "held for sale".

(3) Of which €1,120 million regarding units classified as "held for sale".

(4) Of which €143 million regarding units classified as "held for sale".

(5) Of which €6 million regarding units classified as "held for sale".

(6) Of which €32 million regarding units classified as "held for sale".

(7) Of which €65 million regarding units classified as "held for sale".

At December 31, 2021

Millions of euro	Italy	Iberia	Latin America	Europe	North America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
Property, plant and equipment	27,335	23,075	18,671	3,440	10,853	1,948	150	85,472
Intangible assets	2,313	16,071	11,414	772	557	179	730	32,036
Non-current and current contract assets	94	5	517	-	18	13	4	651
Trade receivables	7,372	3,886	4,414	583	215	51	(429)	16,092
Other	4,555	2,474	1,398	217	259	140	(947)	8,096
<b>Operating assets</b>	<b>41,669<sup>(1)</sup></b>	<b>45,511</b>	<b>36,414</b>	<b>5,012</b>	<b>11,902</b>	<b>2,331<sup>(2)</sup></b>	<b>(492)<sup>(3)</sup></b>	<b>142,347</b>
Trade payables	9,684	2,509	4,333	481	1,208	136	(1,367)	16,984
Non-current and current contract liabilities	4,109	3,109	30	438	-	-	(39)	7,647
Sundry provisions	3,395	4,211	2,426	130	120	32	744	11,058
Other	5,749	3,945	4,509	328	1,482	64	183	16,260
<b>Operating liabilities</b>	<b>22,937<sup>(4)</sup></b>	<b>13,774</b>	<b>11,298</b>	<b>1,377</b>	<b>2,810</b>	<b>232<sup>(5)</sup></b>	<b>(479)<sup>(6)</sup></b>	<b>51,949</b>

(1) Of which €2 million regarding units classified as "held for sale".

(2) Of which €999 million regarding units classified as "held for sale".

(3) Of which €136 million regarding units classified as "held for sale".

(4) Of which €6 million regarding units classified as "held for sale".

(5) Of which €22 million regarding units classified as "held for sale".

(6) Of which €57 million regarding units classified as "held for sale".

The following table reconciles segment assets and liabilities and the consolidated figures.

Millions of euro		
	at Mar. 31, 2022	at Dec. 31, 2021
<b>Total assets</b>	<b>230,244</b>	<b>206,940</b>
Equity-accounted investments	590	704
Other non-current financial assets	11,202	8,476
Non-current tax assets included in "Other non-current assets"	2,553	2,286
Other current financial assets	42,071	31,436
Cash and cash equivalents	6,373	8,858
Deferred tax assets	11,767	11,034
Tax assets	2,358	1,694
Financial and tax assets of "Assets held for sale"	173	105
<b>Segment assets</b>	<b>153,157</b>	<b>142,347</b>
<b>Total liabilities</b>	<b>184,332</b>	<b>164,598</b>
Long-term borrowings	57,571	54,500
Non-current financial derivative liabilities	5,516	3,339
Other non-current financial liabilities	72	120
Short-term borrowings	14,295	13,306
Current portion of long-term borrowings	4,157	4,031
Other current financial liabilities	35,999	25,232
Deferred tax liabilities	10,218	9,259
Income tax liabilities	962	712
Other tax liabilities	2,357	1,274
Financial and tax liabilities of "Liabilities included in disposal groups held for sale"	972	876
<b>Segment liabilities</b>	<b>52,213</b>	<b>51,949</b>

# Revenue

## 6.a Revenue – €34,958 million

Millions of euro	1st Quarter			
	2022	2021	Change	
Sale of electricity	16,990	9,095	7,895	86.8%
Transport of electricity	2,766	2,666	100	3.8%
Fees from network operators	176	225	(49)	-21.8%
Transfers from institutional market operators	(5)	330	(335)	-
Sale of gas	2,823	1,197	1,626	-
Transport of gas	247	237	10	4.2%
Sale of fuels	1,240	241	999	-
Connection fees to electricity and gas networks	191	184	7	3.8%
Construction contracts <sup>(1)</sup>	387	199	188	94.5%
Sale of environmental certificates	17	27	(10)	-37.0%
Sale of value-added services	323	219	104	47.5%
Other sales and services	234	179	55	30.7%
<b>Total IFRS 15 revenue</b>	<b>25,389</b>	<b>14,799</b>	<b>10,590</b>	<b>71.6%</b>
Sale of commodities under contracts with physical settlement	9,650	3,300	6,350	-
Fair value gain/(loss) on commodity sales contracts with physical settlement closed during the period <sup>(2)</sup>	(667)	50	(717)	-
Grants for environmental certificates	34	67	(33)	-49.3%
Sundry reimbursements	87	73	14	19.2%
Gain on sale of subsidiaries, associates, joint ventures, joint operations and non-current assets held for sale	228	-	228	-
Gain on sale of property, plant and equipment and intangible assets	7	1	6	-
Other revenue	230	200	30	15.0%
<b>Total revenue<sup>(1) (2)</sup></b>	<b>34,958</b>	<b>18,490</b>	<b>16,468</b>	<b>89.1%</b>

(1) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

(2) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

In the 1st Quarter of 2022 revenue from the “sale of electricity” amounted to €16,990 million, up €7,895 million on the same period of the previous year (+86.8%). The increase, which was largely accounted for by Italy (€4,810 million) and Spain (€2,247 million) mainly reflected an increase in volumes and the rise in electricity prices.

“Transfers from institutional market operators” decreased by €335 million on the 1st Quarter of 2021, mainly due to a decrease in transfers for extra-peninsular generation in Spain as a result of the increase in sales prices and the associated margins.

The increase in revenue from the “sale of gas” of €1,626 million on the 1st Quarter of 2021 was mainly attributable

to an increase in volume sold and rising average prices, primarily in Spain (€975 million) and Italy (€575 million).

Revenue from the “sale of fuels” increased by €999 million, with the rise primarily being registered by Enel Global Trading as a result of the increase in gas prices.

The increase in revenue from the “sale of commodities under contracts with physical settlement”, measured at fair value through profit or loss within the scope of IFRS 9 (€6,350 million), mainly regarded the sale of gas. This positive effect was partly offset by a decline in revenue from the fair value measurement of closed contracts compared with the 1st Quarter of 2021 (-€717 million), mainly regarding gas.

The following table shows the net gain or loss on contracts for the sale or purchase of commodities with physical settlement measured at fair value through profit or loss.

Millions of euro	1st Quarter			
	2022	2021	Change	
<b>Fair value gain/(loss) on contracts for energy commodities with physical settlement (within the scope of IFRS 9) closed in the period</b>				
<b>Sales contracts</b>				
Sale of electricity	1,236	507	729	-
Fair value gain/(loss) on closed contracts	212	22	190	-
<b>Total electricity</b>	<b>1,448</b>	<b>529</b>	<b>919</b>	<b>-</b>
<b>Purchase contracts</b>				
Purchase of electricity	1,318	276	1,042	-
Fair value gain/(loss) on closed contracts	265	16	249	-
<b>Total electricity</b>	<b>1,583</b>	<b>292</b>	<b>1,291</b>	<b>-</b>
<b>Sales contracts</b>				
Sale of gas	8,387	2,788	5,599	-
Fair value gain/(loss) on closed contracts	(881)	28	(909)	-
<b>Total gas</b>	<b>7,506</b>	<b>2,816</b>	<b>4,690</b>	<b>-</b>
<b>Purchase contracts</b>				
Purchase of gas	8,842	1,921	6,921	-
Fair value gain/(loss) on closed contracts	(877)	51	(928)	-
<b>Total gas</b>	<b>7,965</b>	<b>1,972</b>	<b>5,993</b>	<b>-</b>
<b>Sales contracts</b>				
Sale of environmental certificates	27	4	23	-
Fair value gain/(loss) on closed contracts	3	-	3	-
<b>Total environmental certificates</b>	<b>30</b>	<b>4</b>	<b>26</b>	<b>-</b>
<b>Total revenue</b>	<b>8,984</b>	<b>3,349</b>	<b>5,635</b>	<b>-</b>
<b>Purchase contracts</b>				
Purchase of environmental certificates	104	(166)	270	-
Fair value gain/(loss) on closed contracts	89	(60)	149	-
<b>Total environmental certificates</b>	<b>193</b>	<b>(226)</b>	<b>419</b>	<b>-</b>
<b>Total costs</b>	<b>9,741</b>	<b>2,038</b>	<b>7,703</b>	<b>-</b>
<b>Net revenue/(costs) on contracts for energy commodities with physical settlement closed in the period</b>	<b>(757)</b>	<b>1,311</b>	<b>(2,068)</b>	<b>-</b>
<b>Unrealized fair value gain/(loss) on outstanding contracts for energy commodities with physical settlement (IFRS 9)</b>				
<b>Sales contracts</b>				
Electricity	(411)	(172)	(239)	-
Gas	(7,104)	(1,038)	(6,066)	-
Environmental certificates	140	(133)	273	-
<b>Total</b>	<b>(7,375)</b>	<b>(1,343)</b>	<b>(6,032)</b>	<b>-</b>
<b>Purchase contracts</b>				
Electricity	1,263	(93)	1,356	-
Gas	(8,687)	(829)	(7,858)	-
Environmental certificates	26	(58)	84	-
<b>Total</b>	<b>(7,398)</b>	<b>(980)</b>	<b>(6,418)</b>	<b>-</b>
<b>Net unrealized fair value gain/(loss) on outstanding contracts for energy commodities with physical settlement (IFRS 9)</b>	<b>23</b>	<b>(363)</b>	<b>386</b>	<b>-</b>
<b>TOTAL REVENUE/(COSTS) ON CONTRACTS WITH PHYSICAL SETTLEMENT (IFRS 9)</b>	<b>(734)</b>	<b>948</b>	<b>(1,682)</b>	<b>-</b>

The gain on sale of entities in the 1st Quarter of 2022 amounted to €228 million, mainly accounted for by the gain on the sale by Enel X International of 1.1% of the investment in Ufnet (€220 million).

“Other revenue” showed an increase of €30 million, primarily attributable to Enel Green Power North America as a result of an increase in income from tax partnerships (€17 million) and reimbursements for damages connected with the Whitney Hill and Aurora Wind projects (€12 million).

## Costs

### 6.b Costs - €33,435 million

Millions of euro	1st Quarter			
	2022	2021	Change	
Electricity purchases <sup>(1)</sup>	12,381	4,332	8,049	-
Consumption of fuel for electricity generation	1,774	663	1,111	-
Fuel for trading and gas for sale to end users <sup>(1)</sup>	11,016	3,629	7,387	-
Materials <sup>(1)</sup>	639	418	221	52.9%
Personnel	1,180	1,158	22	1.9%
Services, leases and rentals	4,257	3,972	285	7.2%
Depreciation, amortization and impairment losses	1,767	1,566	201	12.8%
Costs of environmental certificates	654	175	479	-
Other operating expenses	414	452	(38)	-8.4%
Capitalized costs	(647)	(521)	(126)	-24.2%
<b>Total<sup>(1)</sup></b>	<b>33,435</b>	<b>15,844</b>	<b>17,591</b>	<b>-</b>

(1) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

Costs for “electricity purchases” increased as a result of greater volumes purchased at increasing average prices compared with the first three months of 2021, with the increases coming mainly in Italy (€5,670 million) and Spain (€1,707 million). The item includes the results from the fair value measurement of electricity purchase contracts with physical settlement closed in the first three months of 2022, which posted an increase of €249 million compared with the corresponding period of 2021.

The increase in costs for “consumption of fuel for electricity generation” mainly reflects an increase in average prices, mainly in Italy and Spain.

The increase in costs for the purchase of “fuels for trading and gas for sale to end users” essentially reflects the price effect of commodities, especially gas.

That increase was offset by the results from the fair value measurement of gas purchase contracts with physical settlement closed in the first three months of 2022, which

decreased by €928 million compared with the corresponding period of 2021.

The costs for “materials” essentially increased due to the higher purchase costs for CO<sub>2</sub>, mainly regarding the results of the fair value measurement of outstanding contracts with physical settlement (IFRS 9).

In the first three months of 2022, the increase of €22 million in costs for “personnel” mainly reflects the increase in costs for wages, salaries and other personnel remuneration as a result of new hiring.

The Enel Group workforce at March 31, 2022 numbered 66,867, of whom 36,150 employed abroad. In the first three months of 2022, the workforce increased by 588, reflecting the balance between new hires and terminations (+475) and the change in the consolidation scope (+113), mainly reflecting the acquisition of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl) in Italy.

The overall change compared with December 31, 2021 breaks down as follows:

<b>Balance at December 31, 2021</b>	<b>66,279</b>
Hirings	1,387
Terminations	(912)
Change in consolidation scope	113
<b>Balance at March 31, 2022</b>	<b>66,867</b>

The increase in costs for “services, leases and rentals” is mainly due to an increase in costs for service concession arrangements in Brazil, greater costs for value-added services and an increase in spending on professional and technical services.

The rise in “depreciation, amortization and impairment losses” mainly reflects an increase in impairment losses recognized in the 1st Quarter of 2022 on trade receivables, an increase in depreciation due to the reduction of the useful life of first-generation digital meters and depreciation on property, plant and equipment as a result of new capital expenditure in recent years in the renewable energy sector.

“Costs of environmental certificates” increased by €479 million, due in particular to the significant increase in the

prices of CO<sub>2</sub> commodity and the increase in the output of thermal generation plants.

“Other operating expenses” decreased by €38 million, mainly due to the effect of the decrease in costs associated with the suspension of payment of the tax on the value of electricity generation (IVPEE) starting from the second half of 2021, partially offset by an increase in costs connected with the increase in fees for the occupation of public roads, both recorded in Spain.

“Capitalized costs” increased by €126 million, mainly reflecting the greater investments in distribution plants in Latin America, greater investments connected with the installation of new-generation meters and a rise in the capitalization of the costs of personnel involved in work on renewables plants in Italy.

## 6.c Net results from commodity contracts – €1,156 million

Net results from commodity contracts showed net income of €1,156 million in the first three months of 2022 (net expense of €81 million in the same period of 2021) and break down as follows:

- net income on commodity derivatives totaling €1,133 million (net income of €282 million in the 1st Quarter of 2021), including derivatives designated as cash flow hedges and derivatives measured at fair value through profit or loss. More specifically, net income from derivatives settled in the period amounted to €987 million (net expense of €49 million the 1st Quarter of 2021) and the net fair value gain from measurement of outstanding derivatives came to €146 million (net gain of €331 million the 1st Quarter of 2021);
- net fair value gain through profit or loss on outstanding energy commodity contracts with physical settlement amounting to €23 million (net loss of €363 million the 1st Quarter of 2021).

## 6.d Net financial income/(expense) – €411 million

Net financial expense decreased by €50 million on the same period of 2021.

More specifically, financial income in the first three months of 2022 amounted to €1,662 million, a decrease of €345 million on the same period of 2021 (€2,007 million). The change mainly reflected a decrease of €724 million in income from derivative instruments, essentially in respect of designated cash flow hedge derivatives to hedge the risk of fluctuations in exchange rates for loans denominated in foreign currencies.

This was partially offset by:

- an increase of €358 million in exchange gains;
- an increase of €20 million in interest income at the effective rate, mainly in respect of short-term financial investments.

Financial expense in the first three months of 2022 amounted to €2,104 million, a decrease of €379 million compared with the first three months of 2021. The change is mainly attributable to the following factors:

- a decrease of €871 million in exchange losses;

- a decrease of €27 million in interest expense, mainly in respect of bonds.

This was partially offset by an increase of €469 million in expense on derivative instruments, mainly attributable to the measurement of outstanding contracts to hedge the risk of fluctuations in exchange rates for loans denominated in foreign currencies.

## 6.e Share of profit/(loss) of equity-accounted investments – €43 million

The share of net profit of equity-accounted investments in the first three months of 2022 amounted to €43 million. The change of €9 million mainly reflected the loss posted

Finally, income from hyperinflation adjustments recognized by the Argentine companies in application of IAS 29 concerning accounting for hyperinflationary economies amounted to €31 million in the first three months of 2022, an increase of €16 million on the same period of 2021 (€15 million).

in the first three months of 2021 on the investment in Open Fiber, which was subsequently sold in 2021.

## 6.f Income taxes – €661 million

Income taxes for the 1st Quarter of 2022 amounted to €661 million, equal to 28.6% of pre-tax profit (compared with 30.1% for the first three months of 2021). The decrease in the tax rate essentially reflected:

- the tax effect of the sale of the investment in Ufinet;
- the effect of the reversal in 2021 of a tax credit of Enel Green Power SpA (€25 million) following the reorganization of the Enel Green Power Business Line in Latin America, which was completed in April 2021.

These positive factors were partly offset by the tax effect of the application of hyperinflation accounting in Argentina (€17 million) and the higher costs incurred in Italy in respect of the windfall profits tax to fund programs to reduce utility bills provided for in Decree Law 21/2022 (€41 million).

# Assets

## 7.a Non-current assets – €149,922 million

*Property, plant and equipment and intangible assets*, including investment property, amounted to €107,476 million at March 31, 2022, an increase of €4,743 million. The change is mainly attributable to investments in the period (€2,265 million), exchange gains, primarily in Latin America (€2,951 million), and changes in the consolidation scope (€621 million). The latter are mainly attributable to the acquisition of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl) in Italy.

These positive impacts were partially offset by depreciation, amortization and impairment losses of €1,477 million.

*Goodwill* amounted to €14,566 million, an increase of €745 million, of which €585 million attributable to the acquisition by Enel Produzione SpA of 100% of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl) on January 3, 2022 and the remainder to exchange gains, mainly in Brazil.

*Equity-accounted investments* amounted to €590 million, a decrease of €114 million compared with the end of the previous year, mainly reflecting:

- the negative effects of changes in the consolidation scope, associated essentially with the investment in Zaccapa Topco (€114 million), which was reclassified to “investments in other entities” following the disposal by Enel X International of 1.1% of its investment in Ufinet;
- the reclassification of the investment in the Spanish company Tecnatom (€27 million) to “assets classified as held for sale”;
- dividends distributed in the period in the amount of €9 million by Rusenergosbyt.

These effects were partly offset by:

- changes in the OCI reserves of equity-accounted companies, mainly regarding Spanish and Mexican companies;
- the profits attributable to the Group of, mainly, Rusenergosbyt, Spanish companies and North American companies, only partially offset by the losses of other companies.



Other non-current assets include:

Millions of euro				
	at Mar. 31, 2022	at Dec. 31, 2021	Change	
Deferred tax assets	11,767	11,034	733	6.6%
Non-current financial assets and securities included in net financial debt	2,846	2,692	154	5.7%
Other non-current financial assets	8,356	5,784	2,572	44.5%
Amounts due from institutional market operators	244	242	2	0.8%
Other long-term amounts due <sup>(1)</sup>	4,077	3,556	521	14.7%
<b>Total</b>	<b>27,290</b>	<b>23,308</b>	<b>3,982</b>	<b>17.1%</b>

(1) The item includes investments in contract assets of €268 million at March 31, 2022 and €907 million at December 31, 2021.

The increase of €3,982 million in the period is essentially due to:

- an increase in "other non-current financial assets", largely attributable to developments in the fair value of derivative contracts (€1,527 million), which were essentially entered into to hedge the price risk on commodities, as well as to the increase in financial assets in respect of service concession arrangements in Latin America (€759 million) and investments in other companies (€286 million);
- an increase in "other long-term amounts due", mainly attributable to the exchange differences, primarily in Brazil;
- an increase in "deferred tax assets", mainly due to the increase in deferred tax assets linked to developments in the fair value of cash flow hedge derivatives, partially offset by the reversal of deferred tax assets on differences in the value of non-current assets, mainly in Italy, and the reversal of deferred tax assets by Enel Iberia, the parent of the consolidated tax group in Spain;
- an increase in "non-current financial assets and securities included in net financial debt", mainly due to an increase of €144 million in long-term loan assets.

## 7.b Current assets - €78,884 million

*Inventories* amounted to €3,414 million, an increase of €305 million, most of which was recognized in Latin America, Spain and Italy, essentially reflecting the increase in inventories of fuel and CO<sub>2</sub> emissions allowances.

*Trade receivables* amounted to €18,959 million, an increase of €2,883 million, mainly accounted for by Spain (€1,192 million), Latin America (€1,142 million) and Italy (€453 million).

*Other current assets* break down as follows:

Millions of euro				
	at Mar. 31, 2022	at Dec. 31, 2021	Change	
Current financial assets and securities included in net financial debt	7,753	8,467	(714)	-8.4%
Other current financial assets	34,318	22,968	11,350	49.4%
Tax assets	2,358	1,694	664	39.2%
Amounts due from institutional market operators	2,791	2,200	591	26.9%
Other short-term amounts due	2,918	1,760	1,158	65.8%
<b>Total</b>	<b>50,138</b>	<b>37,089</b>	<b>13,049</b>	<b>35.2%</b>

The increase in the period of €13,049 million is due to:

- an increase in "other current financial assets", essentially attributable to the fair value measurement of derivative financial instruments (€11,377 million), primarily used to hedge commodity price risk;
- an increase in "tax assets" relating essentially to VAT credits (€514 million);
- an increase in "amounts due from institutional market operators", which mainly include amounts due from the Italian electrical system of €2,040 million (€1,519 million at December 31, 2021) and the Spanish electrical system of €723 million (€667 million at December 31, 2021). More specifically, in Italy the increase is mainly attributable to an increase in amounts due from the Energy and Environmental Services Fund, mainly claimed by Servizio Elettrico Nazionale and essentially connected with purchase equalization mechanisms;
- an increase in "other short-term amounts due" mainly

regarding an increase in prepaid expenses, essentially in respect of fees for water diversion for industrial use, insurance premiums, advances paid to third parties and amounts due in respect of settled commodity derivatives (€503 million), primarily in Italy and Spain.

The increase in the period was partially offset by a decrease in “current financial assets and securities included in net financial debt”, essentially reflecting a reduction in financial assets in respect of cash collateral paid to counterparties for derivatives transactions (€908 million), partially offset by an increase in the short-term portion of non-current financial assets.

## 7.c Assets classified as held for sale – €1,438 million

The item essentially includes assets measured at their estimated realizable value based on the current state of negotiations that, in view of the decisions taken by management, meet the requirements of IFRS 5 for classification under this item.

The balance at March 31, 2022 mainly regards a number of renewable energy companies in Africa held for sale (€1,194 million), a number of Enel X companies in Italy (€214 million) and the Spanish company Tecnatom (€27 million).

## Liabilities and equity

### 7.d Equity attributable to the owners of the Parent – €32,648 million

The increase of €2,995 million in the first three months of 2022 in equity attributable to the owners of the Parent mainly reflects profit recognized through profit or loss for

the period (€1,430 million) and the recognition of the profit recognized through other comprehensive income (€1,784 million).

### 7.e Non-current liabilities – €94,834 million

*Long-term borrowings* amounted to €57,571 million (€54,500 million at December 31, 2021). They consist of bonds totaling €42,065 million (€39,099 million at December 31, 2021), bank borrowings of €12,697 million (€12,579 million at December 31, 2021) and other borrowings of €2,809 million (€2,822 million at December 31, 2021). The item increased by €3,071 million, mainly due to the increase in bonds (€2,966 million), essentially attributable to new issues, and the rise in bank borrowings (€118 million).

*Provisions and deferred tax liabilities* amounted to €20,598 million at March 31, 2022 (€19,180 million at December 31, 2021) and include:

- employee benefit liabilities totaling €2,928 million, up €204 million on December 31, 2021, mainly in Latin America due to exchange rate developments;
- provisions for risks and charges amounting to €7,452 million (€7,197 million at December 31, 2021). The item includes, among others:
  - the litigation provision of €874 million (€790 million at December 31, 2021);
  - the nuclear decommissioning provision of €665 million (€666 million at December 31, 2021);

- the plant dismantling and site restoration provision of €3,052 million (€3,066 million at December 31, 2021);
- the provision for taxes and duties of €291 million (€267 million at December 31, 2021);
- the provision for early termination incentives and other restructuring plans of €395 million (€435 million at December 31, 2021), with the decrease (€40 million) being mainly attributable to Spain following the reclassification of the current amount expected to be used;
- the provision for restructuring programs connected with the energy transition of €1,123 million (€1,152 million at December 31, 2021), with the decrease (€29 million) being mainly connected with the reclassification of the current component of the provision in Spain;
- deferred tax liabilities amounting to €10,218 million (€9,259 million at December 31, 2021), with the increase of €959 million mainly attributable to deferred taxation on cash flow hedge derivatives and the impact of exchange differences in Latin America.

Other non-current liabilities amounted to €16,665 million (€14,198 million at December 31, 2021), an increase of €2,467 million, largely reflecting the change in the fair

value of financial derivatives (€2,177 million), mainly in respect of derivatives used to hedge commodity price risk.

## 7.f Current liabilities – €88,423 million

Short-term borrowings and current portion of long-term borrowings amounted to €18,452 million (€17,337 million at December 31, 2021) and included short-term borrowings of €14,295 million (€13,306 million at December 31, 2021) and the current portion of long-term borrowings of €4,157 million (€4,031 million at December 31, 2021). The item increased by €1,115 million, primarily reflecting the rise in short-term borrowings (€989 million).

Trade payables amounted to €17,480 million (€16,959 million at December 31, 2021), up €521 million, mainly reflecting normal developments in the supply chain, accentuated by an increase in costs for fuel provisioning and the appreciation of the currencies of the Latin American countries against the euro.

Other current liabilities break down as follows:

Millions of euro				
	at Mar. 31, 2022	at Dec. 31, 2021	Change	
Amounts due to customers	1,920	1,950	(30)	-1.5%
Amounts due to institutional market operators	2,638	2,961	(323)	-10.9%
Current financial liabilities	35,999	25,232	10,767	42.7%
Amounts due to employees and social security institutions	686	675	11	1.6%
Tax liabilities	3,319	1,986	1,333	67.1%
Other	7,929	8,658	(729)	-8.4%
<b>Total</b>	<b>52,491</b>	<b>41,462</b>	<b>11,029</b>	<b>26.6%</b>

The change in the period is essentially due to:

- an increase in “current financial liabilities”, largely attributable to the increase in the fair value of derivative financial instruments of €10,568 million, mainly regarding derivatives hedging commodity price risk (€10,427 million), as well as an increase in accrued financial liabilities of €174 million;
- an increase in “tax liabilities”, primarily regarding liabilities

for value-added tax (€779 million), as well as the estimated income tax liability for the period (€250 million).

These factors were partially offset by:

- a reduction in “other” liabilities, essentially attributable to dividends paid during the 1st Quarter of 2022;
- a decrease in “amounts due to institutional market operators”, especially in Italy.

## 7.g Liabilities included in disposal groups classified as held for sale – €1,075 million

The balance at March 31, 2022 primarily includes the liabilities connected with a number of companies held for sale

that operate in the renewable generation sector in Africa and a number of Enel X companies in Italy.

## 8. Net financial position

The net financial position at March 31, 2022 and December 31, 2021 is reported below in accordance with Guideline 39, issued on March 4, 2021, by ESMA, applicable as from May

5, 2021, and with warning notice no. 5/2021 issued by CONSOB on April 29, 2021, reconciled with net financial debt as provided for in the presentation methods of the Enel Group.

Millions of euro				
	at Mar. 31, 2022	at Dec. 31, 2021	Change	
<b>Liquidity</b>				
Cash and cash equivalents on hand	33	8	25	-
Bank and post office deposits	5,391	8,118	(2,727)	-33.6%
<b>Liquid assets</b>	<b>5,424</b>	<b>8,126</b>	<b>(2,702)</b>	<b>-33.3%</b>
<b>Cash equivalents</b>	<b>949</b>	<b>732</b>	<b>217</b>	<b>29.6%</b>
Securities	75	88	(13)	-14.8%
Short-term loan assets	5,932	6,841	(909)	-13.3%
Current portion of long-term loan assets	1,746	1,538	208	13.5%
<b>Other current financial assets</b>	<b>7,753</b>	<b>8,467</b>	<b>(714)</b>	<b>-8.4%</b>
<b>Liquidity</b>	<b>14,126</b>	<b>17,325</b>	<b>(3,199)</b>	<b>-18.5%</b>
<b>Current financial debt</b>				
Bank debt	(2,115)	(1,329)	(786)	-59.1%
Commercial paper	(10,631)	(10,708)	77	0.7%
Other short-term borrowings <sup>(1)</sup>	(1,556)	(1,281)	(275)	-21.5%
<b>Current financial debt (including debt instruments)</b>	<b>(14,302)</b>	<b>(13,318)</b>	<b>(984)</b>	<b>-7.4%</b>
Long-term bank borrowings (current portion)	(972)	(989)	17	1.7%
Bonds issued (current portion)	(2,833)	(2,700)	(133)	-4.9%
Other borrowings (current portion)	(352)	(342)	(10)	-2.9%
<b>Non-current financial debt (current portion)</b>	<b>(4,157)</b>	<b>(4,031)</b>	<b>(126)</b>	<b>-3.1%</b>
<b>Current financial debt</b>	<b>(18,459)</b>	<b>(17,349)</b>	<b>(1,110)</b>	<b>-6.4%</b>
<b>Net current financial debt</b>	<b>(4,333)</b>	<b>(24)</b>	<b>(4,309)</b>	<b>-</b>
<b>Non-current financial debt</b>				
Bank borrowings	(12,697)	(12,579)	(118)	-0.9%
Other borrowings <sup>(2)</sup>	(2,881)	(2,942)	61	2.1%
<b>Non-current financial debt (excluding current portion and debt instruments)</b>	<b>(15,578)</b>	<b>(15,521)</b>	<b>(57)</b>	<b>-0.4%</b>
<b>Bonds</b>	<b>(42,065)</b>	<b>(39,099)</b>	<b>(2,966)</b>	<b>-7.6%</b>
<b>Trade payables and other non-interest-bearing non-current liabilities with a significant financing component</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-current financial debt</b>	<b>(57,643)</b>	<b>(54,620)</b>	<b>(3,023)</b>	<b>-5.5%</b>
<b>Net financial debt as per CONSOB instructions</b>	<b>(61,976)</b>	<b>(54,644)</b>	<b>(7,332)</b>	<b>-13.4%</b>
<b>Long-term financial assets and securities</b>	<b>2,846</b>	<b>2,692</b>	<b>154</b>	<b>5.7%</b>
<b>NET FINANCIAL DEBT</b>	<b>(59,130)</b>	<b>(51,952)</b>	<b>(7,178)</b>	<b>-13.8%</b>

(1) Includes current financial borrowings included in other current liabilities in the statement of financial position.

(2) Includes other non-current financial borrowings presented under other non-current liabilities in the statement of financial position.

This statement of the net financial position does not include financial assets and liabilities in respect of derivatives, since derivative contracts, even if not designated as hedges for hedge accounting purposes, are in any case entered into by the Group for hedging purposes. At March 31, 2022, non-current derivative assets in the amount of €4,298 million (€2,772 million at December 31, 2021) are reported under "other non-current assets" in the condensed consolidated statement of financial position; current derivative assets in the amount of €34,168 million (€22,791 million at

December 31, 2021) are reported under "other current assets" in the condensed consolidated statement of financial position; non-current derivative liabilities in the amount of €5,516 million (€3,339 million at 31 December, 2021) are reported under "other non-current liabilities" in the condensed consolidated statement of financial position; and current derivative liabilities in the amount of €35,175 million (€24,607 million at December 31, 2021) are reported under "other current liabilities" in the condensed consolidated statement of financial position.

# Other information

## 9. Related parties

As an operator in the field of generation, distribution, transport and sale of electricity and the sale of natural gas, Enel carries out transactions with a number of companies directly or indirectly controlled by the Italian State, the Group's controlling shareholder.

The table below summarizes the main types of transactions carried out with such counterparties.

Related party	Relationship	Nature of main transactions
Single Buyer	Fully controlled (indirectly) by the Ministry for the Economy and Finance	Purchase of electricity for the enhanced protection market
Cassa Depositi e Prestiti Group	Directly controlled by the Ministry for the Economy and Finance	Sale of electricity on the Ancillary Services Market (Terna) Sale of electricity transport services (Eni Group) Purchase of transport, dispatching and metering services (Terna) Purchase of postal services (Poste Italiane) Purchase of fuels for generation plants and natural gas storage and distribution services (Eni Group)
ESO - Energy Services Operator	Fully controlled (directly) by the Ministry for the Economy and Finance	Sale of subsidized electricity Payment of A3 component for renewable resource incentives
EMO - Energy Markets Operator	Fully controlled (indirectly) by the Ministry for the Economy and Finance	Sale of electricity on the Power Exchange (EMO) Purchase of electricity on the Power Exchange for pumping and plant planning (EMO)
Leonardo Group	Directly controlled by the Ministry for the Economy and Finance	Purchase of IT services and supply of goods

Finally, Enel also maintains relationships with the pension funds FOPEN and FONDENEL, as well as Enel Cuore, an Enel non-profit company devoted to providing social and healthcare assistance.

All transactions with related parties were carried out on normal market terms and conditions, which in some cases are determined by the Regulatory Authority for Energy, Networks and the Environment.

The following tables summarize transactions with related parties, associated companies and joint arrangements carried out in the first three months of 2022 and 2021 and outstanding at March 31, 2022 and December 31, 2021.

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group <sup>(1)</sup>	Other	Total 1st Quarter 2022	Associates and joint arrangements	Overall total 1st Quarter 2022	Total in financial statements	% of total
<b>Income statement</b>										
Total revenue	-	1,420	32	864	51	2,367	58	2,425	34,958	6.9%
Financial income	-	-	-	-	-	-	40	40	1,970	2.0%
Electricity, gas and fuel	2,374	3,342	-	1,041	-	6,757	36	6,793	25,760	26.4%
Services and other materials	-	31	1	872	12	916	38	954	4,310	22.1%
Other operating expenses	3	28	-	2	-	33	-	33	1,068	3.1%
Net results from commodity contracts	-	-	-	9	-	9	1	10	1,156	0.9%
Financial expense	-	-	-	2	-	2	5	7	2,381	0.3%

(1) The figure includes Open Fiber SpA, which last year was considered an associate.

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group <sup>(1)</sup>	Other	Total at Mar. 31, 2022	Associates and joint arrangements	Overall total at Mar. 31, 2022	Total in financial statements	% of total
<b>Balance sheet</b>										
Other non-current asset	-	-	-	223	-	223	1,191	1,414	27,290	5.2%
Trade receivables	-	334	11	957	45	1,347	175	1,522	18,959	8.0%
Other current assets	-	107	42	406	2	557	236	793	50,138	1.6%
Long-term borrowings	-	-	-	536	-	536	344	880	57,571	1.5%
Other non-current liabilities	-	-	-	201	8	209	3	212	16,665	1.3%
Short-term borrowings and current portion of long-term borrowings	-	-	-	89	-	89	22	111	18,452	0.6%
Trade payables	1,953	378	1	1,218	10	3,560	80	3,640	17,480	20.8%
Other current liabilities	-	1	8	61	24	94	2	96	52,491	0.2%
<b>Other information</b>										
Guarantees given	-	40	-	11	54	105	-	105		
Guarantees received	-	-	-	138	36	174	-	174		
Commitments	-	-	-	371	-	371	-	371		

(1) The figure includes Open Fiber SpA, which last year was considered an associate.

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group	Other	Total 1st Quarter 2021	Associates and joint arrangements	Overall total 1st Quarter 2021	Total in financial statements	% of total
<b>Income statement</b>										
Total revenue	-	302	75	579	51	<b>1,007</b>	48	<b>1,055</b>	<b>18,490<sup>(1)(2)</sup></b>	<b>5.7%</b>
Financial income	-	-	-	-	-	-	29	<b>29</b>	<b>2,170<sup>(2)</sup></b>	<b>1.3%</b>
Electricity, gas and fuel	838	698	-	273	-	<b>1,809</b>	29	<b>1,838</b>	<b>8,507<sup>(1)</sup></b>	<b>21.6%</b>
Services and other materials	-	10	-	709	13	<b>732</b>	35	<b>767</b>	<b>4,510<sup>(1)</sup></b>	<b>17.0%</b>
Other operating expenses	1	42	-	3	-	<b>46</b>	-	<b>46</b>	<b>627</b>	<b>7.3%</b>
Net results from commodity contracts	-	-	-	3	-	<b>3</b>	-	<b>3</b>	<b>(81)<sup>(1)</sup></b>	<b>-3.7%</b>
Financial expense	-	-	-	2	-	<b>2</b>	6	<b>8</b>	<b>2,631</b>	<b>0.3%</b>

(1) The figures for the first three months of 2021 have been adjusted, for comparative purposes only, to take account of the effects associated with the change in classification connected with the fair value measurement of outstanding contracts at the end of the period for the purchase and sale of commodities with physical settlement. The change in classification had no impact on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

(2) For comparative purposes only, €40 million in the 1st Quarter of 2021 in respect of the component recognized through profit or loss deriving from the remeasurement at fair value of the financial assets connected with service concession arrangements involving distribution operations in Brazil falling within the scope of IFRIC 12 have been reclassified from financial income to revenue. The latter classification had an impact of the same amount on operating profit. For more details, please see note 2 to these condensed consolidated financial statements at March 31, 2022.

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group	Other	Total at Dec. 31, 2021	Associates and joint arrangements	Overall total at Dec. 31 2021	Total in financial statements	% of total
<b>Balance sheet</b>										
Other non-current asset	-	-	-	119	-	<b>119</b>	1,134	<b>1,253</b>	<b>23,308</b>	<b>5.4%</b>
Trade receivables	-	469	9	659	36	<b>1,173</b>	148	<b>1,321</b>	<b>16,076</b>	<b>8.2%</b>
Other current assets	-	-	76	21	3	<b>100</b>	212	<b>312</b>	<b>37,089</b>	<b>0.8%</b>
Long-term borrowings	-	-	-	536	-	<b>536</b>	344	<b>880</b>	<b>54,500</b>	<b>1.6%</b>
Other non-current liabilities	-	-	-	187	7	<b>194</b>	1	<b>195</b>	<b>14,198</b>	<b>1.4%</b>
Short-term borrowings and current portion of long-term borrowings	-	-	-	89	-	<b>89</b>	26	<b>115</b>	<b>17,337</b>	<b>0.7%</b>
Trade payables	1,903	641	1	1,466	12	<b>4,023</b>	59	<b>4,082</b>	<b>16,959</b>	<b>24.1%</b>
Other current liabilities	-	-	-	50	38	<b>88</b>	4	<b>92</b>	<b>41,462</b>	<b>0.2%</b>
<b>Other information</b>										
Guarantees given	-	40	-	11	59	<b>110</b>	-	<b>110</b>		
Guarantees received	-	-	-	138	36	<b>174</b>	-	<b>174</b>		
Commitments	-	-	-	401	-	<b>401</b>	-	<b>401</b>		

In November 2010, the Board of Directors of Enel SpA approved a procedure governing the approval and execution of transactions with related parties carried out by Enel SpA directly or through subsidiaries. The procedure (both the version in effect until June 30, 2021 and the version amended in June 2021 and in effect from July 1, 2021 are available at <https://www.enel.com/investors/governance/bylaws-rules-policies/>) sets out rules designed to ensure the transparency and procedural and substantive propriety of transactions with related parties. It was adopted in

implementation of the provisions of Article 2391-bis of the Italian Civil Code and the implementing regulations issued by CONSOB. In the 1st Quarter of 2022, no transactions were carried out for which it was necessary to make the disclosures required in the rules on transactions with related parties adopted with CONSOB Resolution no. 17221 of March 12, 2010, as amended.

## 10. Contractual commitments and guarantees

The commitments entered into by the Enel Group and the guarantees given to third parties are shown below.

Millions of euro			
	at Mar. 31, 2022	at Dec. 31, 2021	Change
<b>Guarantees given:</b>			
- sureties and other guarantees granted to third parties	4,786	4,937	(151)
<b>Commitments to suppliers for:</b>			
- electricity purchases	82,620	71,244	11,376
- fuel purchases	67,909	58,042	9,867
- various supplies	2,405	1,631	774
- tenders	4,573	4,668	(95)
- other	7,837	6,187	1,650
<b>Total</b>	<b>165,344</b>	<b>141,772</b>	<b>23,572</b>
<b>TOTAL</b>	<b>170,130</b>	<b>146,709</b>	<b>23,421</b>

Commitments for electricity amounted to €82,620 million at March 31, 2022, of which €25,715 million refer to the period April 1, 2022-2026, €19,416 million to the period 2027-2031, €16,383 million to the period 2032-2036 and the remaining €21,106 million beyond 2036.

Commitments for the purchase of fuels are determined with reference to the contractual parameters and exchange rates applicable at the end of the period (as prices are variable and mainly denominated in foreign currency). At

March 31, 2022 they amounted to €67,909 million, of which €11,423 million refer to the period April 1, 2022-2026, €40,904 million to the period 2027-2031, €8,555 million to the period 2032-2036 and the remaining €7,027 million beyond 2036.

"Other" guarantees mainly include commitments for environmental compliance and increased volumes envisaged in the new investment plan.

## 11. Contingent assets and liabilities

Compared with the consolidated financial statements at December 31, 2021, which the reader is invited to consult

for more information, the following main changes have occurred in contingent assets and liabilities.

### Brindisi Sud thermal generation plant – Ash dispute – Italy

With regard to the criminal proceeding initiated by the Public Prosecutor's Office of the Court of Lecce in 2017 concerning the use of fly ash from the Brindisi Sud power plant involving accused individuals and Enel Produzione pur-

suant to Legislative Decree 231 of June 8, 2001, at the first trial hearing of March 10, 2022 the parties discussed the preliminary issues, on which the court reserved judgment, adjourning the hearing until May 26, 2022 for a ruling.

### BEG litigation

#### Italy

With regard to the suit filed by Enel SpA (Enel) and Enel-power SpA (Enelpower) with the Court of Rome asking the Court to ascertain the liability of BEG SpA (BEG) for having evaded compliance with the arbitration ruling issued in Italy in favor of Enelpower through the legal action taken by Albania BEG Ambient Shpk (ABA) in a number of jurisdic-

tions, asking the Court to find BEG liable and order it to pay damages in the amount that Enel and Enelpower could be required to pay to ABA in the event of the enforcement of the Albanian ruling, the appeal filed by the Enel companies against the ruling in the first instance was denied with a ruling of the Rome Court of Appeal of March 7, 2022, filed on March 21, 2022. Enel and Enelpower are evaluating which actions to take in response to this ruling.



With regard to the suit filed by BEG at the end of 2021 with the Court of Milan against the Italian government and, among others, Enel and Enel and Enelpower, the initial hearing, originally scheduled for April 27, 2022, was postponed by the Court until May 24, 2022. Enel and Enelpower are preparing their case for the proceeding.

## France

With regard to the suit filed by ABA in order to render the ruling of the Albanian court enforceable in France, Enel and Enelpower are preparing their case for the proceeding initiated in June 2021 by ABA before the *Cour de Cassation*

to appeal the denial of the ruling issued by the Paris Court of Appeal. The time limit for the companies to undertake these actions is currently suspended pending a decision on the *requête en radiation* with which the companies requested the dismissal of ABA's appeal before the *Cour de Cassation* because ABA had not complied with the appeal ruling, in conformity with French procedural law. A ruling is expected following the hearing scheduled for June 9, 2022. Finally, Enel and Enelpower initiated a separate proceeding to obtain release of the precautionary attachments granted to ABA and which are no longer valid as a result of the appeal ruling. The hearing for this proceeding is scheduled for May 12, 2022.

## Environmental incentives – Spain

With regard to the enquiry initiated – following the Decision of the European Commission of November 27, 2017 on the issue of environmental incentives for thermal power plants – by the Commission's Directorate-General for Competition pursuant to Article 108, paragraph 2, of the Treaty on the Functioning of the European Union (TFEU) in order to establish whether the environmental in-

centive for coal power plants provided for in Spain's Order ITC/3860/2007 constituted State aid compatible with the internal market, Naturgy and EDP España appealed before the Court of Justice of the European Union (CJEU) the denial by General Court of the CJEU of the appeal filed by Naturgy. Endesa Generación has filed a request to participate in the proceeding.

## Furnas-Tractebel litigation – Brazil

With regard to the suit filed by Tractebel against CIEN (now Enel CIEN) concerning the alleged breach by the latter of an agreement with Tractebel for the delivery of electricity from Argentina through its Argentina-Brazil interconnection line, the enquiry stages of the proceeding have

been completed and a ruling is pending. The amount involved in the dispute is estimated at about R\$118 million (about €28 million), plus interest, revaluations and unspecified damages.

## Cibran litigation – Brazil

With regard to the second suit filed by Companhia Brasileira de Antibióticos (Cibran) against the Enel Group company Ampla Energia e Serviços SA (now Enel Distribuição Rio de Janeiro) to obtain damages for alleged losses incurred as a result of the interruption of electricity service by the Brazilian distribution company between 1987 and

1994, in addition to non-pecuniary damages, the appeal (*agravo interno*) filed by Cibran before the *Superior Tribunal de Justiça* was denied on March 24, 2022. The amount involved in all the disputes is estimated at about R\$612.1 million (about €96.02 million).

## AGM-Funac litigation – Brazil

Suits filed by a number of municipal governments in the state of Goiás to obtain the restitution of ICMS (*Imposta sobre Circulação de Mercadorias e Serviços*, tax on the circulation of goods and services) reimbursements received by Celg-D (now Enel Distribuição Goiás) – which according to the local governments should have been transferred to them – under an agreement between the company and

the Association of Municipalities of Goiás (AGM), the state of Goiás and the Bank of Goiás, which was subsequently declared void by the Supreme Federal Court, include, among others: (i) a suit filed by the *Município de Aparecida de Goiânia*, which is pending at the preliminary stage at first instance, for an amount of approximately R\$751.8 million (about €142.2 million); (ii) a suit filed by the *Município*

de Quirinópolis, also pending at the preliminary stage of the proceeding at first instance for an amount of about R\$401.7 million (about €75.98 million); and (iii) a suit filed by the Município de Anápolis with the court of first instance after a failed attempt at conciliation between the parties and now pending in the preliminary stages, for an amount of about R\$380.8 million (about €72.04 million). The total amount involved in the suits is equal to about R\$3.7 billion (about €714.85 million). The contingent liability deriving from this dispute is covered by the “Funac” provision established during the privatization of Celg-D, which is involved in litigation concerning the associated legislation, which has impacted its scope of application, among other issues.

With Law 20416 of February 5, 2019, the state of Goiás shortened from January 27, 2015 to April 24, 2012 the period of operation of the Funac fund (established with Law 17555 of January 20, 2012) and the tax benefit system (established with Law 19473 of November 3, 2016) that allowed Enel Distribuição Goiás to obtain reimbursement of payments of certain amounts by offsetting against payment obligations in respect of the ICMS.

On February 25, 2019, Enel Distribuição Goiás appealed the provisions of Law 20416 before the Court of the state of Goiás, filing a writ of mandamus and an accompanying petition for a precautionary suspension, which after initially being denied on a preliminary basis and subsequently allowed, was then again denied on October 1, 2019 by the Court of the state of Goiás with an order revoking the precautionary measure previously granted. Accordingly, the effects of the law were restored as from that date. Enel Distribuição Goiás filed an appeal against this decision, claiming that the right to guaranteed tax credits has both a legal and contractual basis and that, therefore, the actions that the state of Goiás has taken to fully suspend the application of these laws are patently unfounded. On October

2, 2019, the appeal filed by Enel Distribuição Goiás was denied. On November 21, 2019 and then on May 5, 2020, Enel Distribuição Goiás challenged before the *Superior Tribunal de Justiça* (STJ) this decision and a subsequent decision of February 27, 2020, with which the *Tribunal de Justiça* (TJ) declared the appeal inadmissible. These proceedings are continuing.

As part of the proceedings on the merits (writ of mandamus), on July 14, 2021, the Court of the state of Goiás raised a question of constitutional legitimacy before a specialized section of the same Court, which was rejected on November 9, 2021, on the basis of the conclusions of the Public Prosecutor of October 5, 2021, with the case being referred to the trial court.

It is important to note that the coverage of the Funac fund is provided for in the agreement for the acquisition of Enel Distribuição Goiás by Enel Brasil SA.

On April 26, 2019, Law 20468 was promulgated. With the law, the state of Goiás fully revoked the tax relief referred to above. On May 5, 2019, Enel Distribuição Goiás filed a petition and a request for a precautionary suspension against the state of Goiás to contest this law. With measure issued at the hearing of July 20, 2021, and subsequently confirmed on September 17, 2021, the Court of the state of Goiás denied the precautionary relief requested by Enel Distribuição Goiás.

Finally, the Brazilian association of electricity distribution companies (ABRADEE) had filed an action for a ruling on constitutionality with the Constitutional Court of Brazil (*Supremo Tribunal Federal*) with regard to Laws 20416 and 20468. This was denied on June 3, 2020 with an individual decision by the judge-rapporteur for lack of formal requirements. That decision was appealed before the Supreme Court of Brazil, which denied the appeal with a decision that became final on April 5, 2021.

## Nivel de Tensión Uno proceedings – Colombia

With regard to the “*acción de grupo*” brought by Centro Médico de la Sabana and other parties against Codensa seeking restitution of allegedly excess rates, the enquiry sta-

ges of the proceeding have been completed and a ruling is pending. The estimated amount involved in the proceeding is about 337 billion Colombian pesos (about €96 million).

## Gabčíkovo litigation – Slovakia

With regard to the joindered suits filed by Vodohospodárska Výstavba Štátny Podnik (VV) and MH Manazment (MHM) with the Slovakian courts to void the VEG Indemnity Agreement owing to the alleged connection of the latter with the VEG Operating Agreement, briefs are being exchanged in the appeal filed by VV, currently pending before the Bratislava Court of Appeal following referral by the Bratislava

Supreme Court.

With regard to the suits filed by VV against Slovenské elektrárne (SE) for alleged unjustified enrichment (estimated at about €360 million plus interest) for the period from 2006 to 2015, the proceedings relating to the years from 2009 to 2011 and from 2013 to 2015 are all pending before the court of first instance. In a number of cases, briefs have

been exchanged. In the proceedings relating to 2011, 2012 and 2014, hearings before the court of first instance were scheduled but then were initially postponed to specified dates before being postponed to dates to be determined

owing to the pandemic. Hearings in the remaining proceedings have been scheduled for dates between May and November 2022.

## Kino arbitration – Mexico

The exchange of briefs and documentation is continuing in the arbitration proceedings filed by Parque Solar Don José SA de Cv, Villanueva Solar SA de Cv and Parque Solar Villanueva Tres SA de Cv (together, the “Project Companies”) – in which Enel Green Power SpA is a non-controlling shareholder and which are controlled by CDPQ Infraestructura

Participación SA de Cv (a subsidiary of Caisse de Dépôt et Placement du Québec) and CKD Infraestructura México SA de Cv) – against Kino Contractor SA de Cv, Kino Facilities Manager SA de Cv and Enel SpA for breach of two contracts regarding solar projects owned by the actors.

## 12. Subsequent events

### Enel issues a £750 million “sustainability-linked bond” in a single tranche

On April 5, 2022, Enel Finance International NV placed a “sustainability-linked bond” denominated in pound sterling linked to the achievement of Enel’s sustainability objective for the reduction of direct greenhouse gas emissions

(Scope 1), contributing to the achievement of United Nations Sustainable Development Goal 13 (“Climate Action”), in accordance with the Group’s Sustainability-Linked Financing Framework.

### Enel agrees €600 million facility with the European Investment Bank and SACE for sustainability-linked financing in Latin America

On April 11, 2022, as part of actions to support the development of renewable energy and energy efficiency programs in Latin America, Enel, the European Investment Bank (EIB), through its development branch EIB Global, and SACE, the Italian export credit agency, agreed a sustainability-linked financing framework which envisages a multi-country, multi-business and multi-currency facility of up to €600 million (equal to over \$650 million), backed by a guarantee from SACE.

As part of the agreement, Enel Green Power Perú SAC, a

subsidiary of Enel Group, was granted a loan of \$130 million to implement wind and solar photovoltaic projects with a capacity of nearly 300 MW in Peru. The remainder of the €600 million facility will support the growth of the Enel Group’s sustainable investments in Brazil and Colombia through renewable energy generation and power distribution projects.

# Declaration of the officer responsible for the preparation of the Company financial reports pursuant to the provisions of Article 154-*bis*, paragraph 2, of Legislative Decree 58/1998

The officer responsible for the preparation of the Company's financial reports, Alberto De Paoli, hereby certifies, pursuant to Article 154-*bis*, paragraph 2, of the Consolidated Law on Financial Intermediation, that the accounting information contained in the Interim Financial Report at March 31, 2022 corresponds with that contained in the accounting documentation, books and records.



**OPEN POWER**  
**FOR A BRIGHTER FUTURE.**  
WE EMPOWER SUSTAINABLE PROGRESS.

Concept design and realization

**Gpt Group**

Copy editing

**postScriptum di Paola Urbani**

Publication not for sale

Edited by

Enel Communications

Disclaimer

This Report issued in Italian has been translated into English solely for the convenience of international readers

Enel

Società per azioni

Registered Office 00198 Rome - Italy

Viale Regina Margherita, 137

Stock Capital Euro 10,166,679,946 fully paid-in

Companies Register of Rome and Tax I.D. 00811720580

R.E.A. of Rome 756032 VAT Code 15844561009

© Enel SpA

00198 Rome, Viale Regina Margherita, 137



[enel.com](https://www.enel.com)