





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



# Interim Financial Report

at September 30, 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

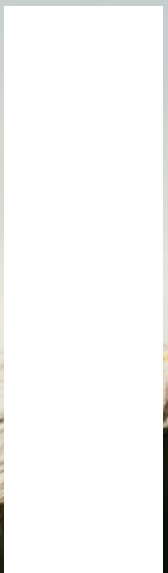
- Open access to electricity for more people.
- Open the world of energy to new technology.
- Open up to new uses of energy.
- Open up to new ways of managing energy for people.
- Open up to new partnerships.

## 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



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## ENEL IS OPEN POWER

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# 1. Report on Operations







# Highlights

SDG	First nine months		
	2022	2021	Change
Revenue (millions of euro) <sup>(1)</sup>	108,177	58,794	84.0%
Gross operating profit/(loss) (millions of euro) <sup>(1)</sup>	12,421	11,417	8.8%
Ordinary gross operating profit/(loss) (millions of euro) <sup>(1)</sup>	12,671	12,770	-0.8%
Profit attributable to owners of the Parent (millions of euro)	1,759	2,505	-29.8%
Ordinary profit attributable to owners of the Parent (millions of euro)	2,977	3,289	-9.5%
Net financial debt (millions of euro)	69,736	51,952 <sup>(2)</sup>	34.2%
Cash flows from operating activities (millions of euro)	907	5,067	-82.1%
Capital expenditure on property, plant and equipment and intangible assets (millions of euro) <sup>(3)</sup>	9,309	7,901	17.8%
Total net efficient installed capacity (GW)	87.9	87.1 <sup>(2)</sup>	0.9%
7 Net efficient installed renewables capacity (GW)	51.6	50.1 <sup>(2)</sup>	3.0%
7 Net efficient installed renewables capacity (%) <sup>(4)</sup>	58.4%	57.5% <sup>(2)</sup>	1.6%
7 Additional efficient installed renewables capacity (GW)	2.28	2.60	-12.3%
Net electricity generation (TWh)	174.3	164.2	6.2%
7 Net renewable electricity generation (TWh)	83.2	80.9	2.8%
9 Electricity distribution and transmission grid (km)	2,254,885	2,233,368 <sup>(2)</sup>	1.0%
9 Electricity transported on Enel's distribution grid (TWh) <sup>(5)</sup>	387.1	382.6	1.2%
End users (no.)	75,894,254	74,980,778	1.2%
9 End users with active smart meters (no.)	45,380,143	44,843,287	1.2%
Electricity sold by Enel (TWh)	242.3	232.6	4.2%
Retail customers (no.)	70,209,823	69,019,595	1.7%
- of which free market <sup>(5)</sup>	27,791,184	24,178,304	14.9%
11 Storage (MW)	751	375 <sup>(2)</sup>	-
11 Charging points (no.)	215,757	137,955	56.4%
11 Demand response (MW)	8,226	7,689	7.0%
No. of employees	67,381	66,279 <sup>(2)</sup>	1.7%

(1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

(2) At December 31, 2021.

(3) The figures for the first nine months of 2022 and 2021 do not include €47 million and €87 million, respectively, regarding units classified as "held for sale".

(4) The calculation does not include 531.1 MW of purchased net efficient installed renewables capacity at September 30, 2022 and 3.9 MW at December 31, 2021.

(5) The figures for the first nine months of 2021 reflect a more accurate calculation of the aggregate.

# Foreword

The Interim Financial Report at September 30, 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



**Enel  
Grids**

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

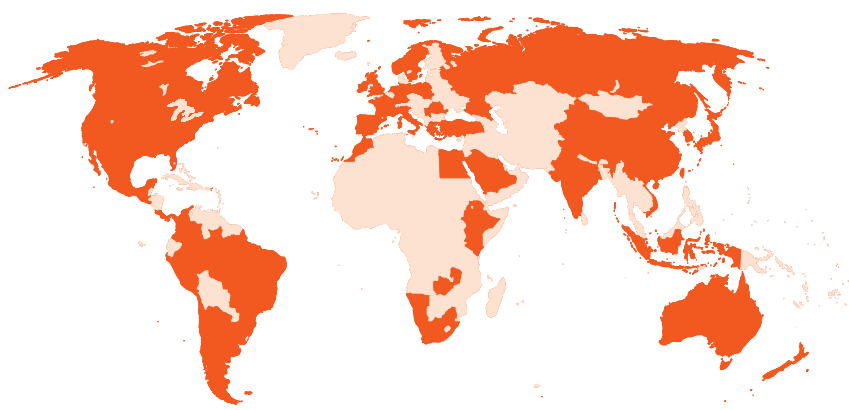
S. Bernabei

### 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 new Global e-Mobility Business Line was recently launched, created to focus activities connected with the global expansion of the electric mobility market, charging solutions and related platforms for the delivery of power to zero-emission vehicles. e-Mobility was born from a desire to accelerate technological evolution and growth along the entire value chain linked to the e-mobility sector, responding to the needs of current and future users with a structured portfolio of charging solutions and software for the public and private sector, promoting the growth of electric mobility through partnerships and strategic alliances, and continuing the path of innovation in charging technology in which Enel is now recognized as a large and reliable international player.

**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 relationship 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 nine months of 2022

### Change in consumer price index (CPI)

%	First nine months		
	2022	2021	Change
<b>Italy</b>	<b>7.47</b>	<b>1.34</b>	<b>6.13</b>
Spain	8.99	2.07	6.92
Argentina	63.20	45.13	18.07
Brazil	10.61	7.55	3.06
Chile	11.14	3.81	7.33
Colombia	9.33	2.94	6.39
Peru	7.69	3.31	4.38

### Exchange rates

	First nine months		
	2022	2021	Change
Euro/US dollar	1.06	1.19	-10.9%
Euro/British pound	0.85	0.86	-1.2%
Euro/Swiss franc	1.01	1.09	-7.3%
US dollar/Japanese yen	128.31	108.84	17.9%
US dollar/Canadian dollar	1.28	1.25	2.4%
US dollar/Australian dollar	1.42	1.32	7.6%
US dollar/Russian ruble	71.98	74.05	-2.8%
US dollar/Argentine peso	120.33	93.84	28.2%
US dollar/Brazilian real	5.13	5.33	-3.8%
US dollar/Chilean peso	860.35	740.00	16.3%
US dollar/Colombian peso	4,075.65	3,715.00	9.7%
US dollar/Peruvian sol	3.82	3.85	-0.8%
US dollar/Mexican peso	20.25	20.14	0.5%
US dollar/Turkish lira	15.91	8.17	94.7%
US dollar/Indian rupee	77.44	73.61	5.2%
US dollar/South African rand	15.96	14.54	9.8%

The 3rd Quarter of 2022 confirmed the broad-based slowdown in the global economy already signaled by developments in the 2nd Quarter. The conflict between Russia and Ukraine has triggered a significant increase in energy and food prices, aggravating the inflationary pressures inherited from earlier distortions in supply chains that emerged during the pandemic. Inflation remained high this quarter, reaching new peaks in almost all areas around the globe. The high cost of energy and the shortage of key components in production processes are severely impacting the general level of consumer prices globally, with the latter diverging from the target values pursued by central banks.

In the euro area, robust GDP growth in the 1st Half of the year was driven by a recovery in consumer demand for services linked to the post-pandemic reopening of economies. However, the persistent rise in inflation in the 3rd Quarter, to 9.3% on an annual basis, is having a significant impact on real household incomes and investment. Furthermore, given the general spread of inflationary pressures to the various sectors of the economy, at its last meeting in September, the European Central Bank (ECB) confirmed its intention to raise its benchmark rates, increasing its three key interest rates by 75 basis points (the rates on the ECB's main refinancing operations, marginal lending facility and deposit facility reached 1.25%, 1.50% and 0.75% respectively). In aggregate, these factors slowed the euro-area GDP growth in the 3rd Quarter to 1.8% on an annual basis, compared with 4.1% in the previous quarter.

In Italy, the GDP growth rate was 1.8% on an annual basis in the 3rd Quarter, a sharp deceleration after the 4.7% achieved in the previous quarter. The surge in inflation to 9.0% on an annual basis in the 3rd Quarter has exacerbated the erosion of household purchasing power and is therefore acting as a brake on the pace of economic growth. The recent tightening of financial conditions pursued by the ECB has also adversely impacted consumer confidence.

In the 3rd Quarter, the Spanish economy saw GDP growth slow to 3.7% on an annual basis, compared with 6.3% in the previous quarter. The improvement in the COVID-19 situation and the easing of the related restrictions on mobility have enabled the services sector to strengthen thanks to the surge in tourist flows. This effect was partially offset by the negative impact of high inflation – which reached 10.2% on an annual basis – on real income and household consumption.

In the United States, the economy continued to register modest GDP growth, with output expanding 1.6% year-on-year in the 3rd Quarter, after recording a 1.7% increase in the 2nd Quarter. On the monetary policy front, at the Federal Reserve's annual meeting in Jackson Hole (August 25–27), Fed Chairman Jerome Powell reaffirmed the Federal Open Market Committee's (FOMC) determination to contain inflation through restrictive monetary policy action. In the last meeting in September, the FOMC set the target federal funds rate within a range between 3% and 3.25%, the highest since early 2008.

Brazil again recorded faster-than-expected GDP growth in the 3rd Quarter at 4.8% year-on-year, boosted by government support in the form of transfers and subsidies that fueled domestic demand for goods and services. However, Brazilian economy is currently constrained by global uncertainties, the disruption of supply chains, persistently high oil prices and inflation (9.2% on an annual basis in the 3rd Quarter), and the central bank's monetary policy stance. In addition, domestic political uncertainties continue to be stirred by upcoming second round of general elections scheduled for October 30, especially in view of the results achieved in the first round, where the current president Bolsonaro obtained 43.2% of the votes (well above poll projections), compared with 48.4% for his opponent Lula.

For Chile, the 3rd Quarter saw the first signs of recession, with GDP contracting by 0.7% year-on-year. The main domestic factors contributing to this development are represented by the decision not to renew the monetary stimulus actions and the substantial fiscal measures that supported the economy in 2021, as well as political uncertainty, which was accentuated with the rejection of the proposed new constitution in the referendum of September 4. The external factors include fears of a global recession and the slowdown in demand for raw materials from China (Chile's main trading partner). In addition, supply-chain bottlenecks and soaring energy and food costs pushed the inflation rate to 13.6% year-on-year in the 3rd Quarter.

In Colombia, after registering faster-than-expected GDP growth in the 1st Half, the economy slowed in the 3rd Quarter. By contrast, inflation reached an annual rate of 10.8% in September, mainly due to the increase in energy prices and the strong domestic demand for services.

In Peru, after the slowdown in inflation recorded in August, when inflation reached 8.4% on an annual basis, September recorded a new increase to 8.5%, pushing the average for the 3rd Quarter to 8.6%.

# Developments in the main market indicators

## International commodity prices

	First nine months		
	2022	2021	Change
<b>Market indicators</b>			
Average Brent ICE price (\$/barrel)	102.20	67.74	50.9%
Average CO <sub>2</sub> price (€/ton)	82.00	48.18	70.2%
Average coal price (\$/t CIF ARA) <sup>(1)</sup>	307.70	102.56	-
Average gas price (€/MWh) <sup>(2)</sup>	129.20	30.24	-
Average copper price (\$/ton)	9,099.52	9,182.71	-0.9%
Average aluminum price (\$/ton)	2,831.41	2,377.84	19.1%
Average nickel price (\$/ton)	26,426.67	18,023.93	46.6%

(1) API#2 index.

(2) TTF index.

The 3rd Quarter of 2022 saw the continuation of the rapid increase in commodity prices, driven by the recovery of economic activities globally.

Oil price declined in the 3rd Quarter, with Brent falling from above \$110 a barrel in June to below \$85 a barrel in September. This is largely explained by a decline in consumption connected with the deterioration in the macroeconomic outlook.

During the first nine months of 2022, the gas market experienced very strong volatility and prices reached new all-time highs. Asian LNG and European TTF prices increased by over 300% compared with the same period of 2021, averaging \$46.8/mmbtu and €129/MWh respectively. The rise is attributable to developments in Russian gas flows, progressively diminished over the course of the year, with occasional interruptions of varying scale. In addition, the strong demand generated by the effort to fill European storage facilities, for which a target of 80% had been set (already reached in September), has helped to keep the market strained.

Coal prices remained fairly stable this quarter, fluctuating between \$300 and \$400 a ton. However, they remain very

high as coal is used as a substitute for gas. In September, the API#2 index recorded an average price of \$340 a ton, with an average for the quarter of \$360 a ton.

After nearing €100 a ton towards the end of August, the CO<sub>2</sub> market fell sharply, reaching just over €65 a ton at the end of September. The current crisis in the gas market and the reforms being considered to address it have significantly undermined the performance of the commodity.

In the 3rd Quarter of 2022, developments in metal prices diverged to some extent. The prices of copper, iron and steel declined due to fears of a slowdown in the global economy, the crisis in the Chinese property market and the consequent destruction of demand. By contrast, aluminum prices increased, mainly due to the energy crisis and the resulting tensions on prices and security of supply. These factors have significantly impacted the sector's production capacity, keeping prices very high.

The prices of lithium and nickel also rose, as demand for these commodities has been supported by stimulus policies to foster a green economy. The pace of recovery of the global economy will play a decisive role in determining the timing of the energy transition and the consequent acceleration of demand for the necessary materials.



# Electricity and natural gas markets

## Developments in electricity demand

3rd Quarter			TWh	First nine months		
2022	2021	Change		2022	2021	Change
<b>83.0</b>	<b>84.2</b>	<b>-1.4%</b>	<b>Italy</b>	<b>241.0</b>	<b>239.0</b>	<b>0.8%</b>
66.1	65.4	1.1%	Spain <sup>(1)</sup>	191.6	192.2	-0.3%
14.1	15.0	-6.0%	Romania	43.6	46.2	-5.6%
182.6	189.8	-3.8%	Russia	600.7	600.0	0.1%
37.8	35.9	5.3%	Argentina	112.3	104.0	8.0%
146.8	148.8	-1.3%	Brazil	455.0	453.9	0.2%
20.7	20.7	-	Chile	62.3	60.9	2.3%
19.6	18.7	4.8%	Colombia <sup>(1)</sup>	57.4	54.5	5.3%

(1) The figures for 2021 reflect a more accurate calculation of the aggregate.  
Source: national TSOs.

In the 3rd Quarter of 2022, electricity demand decreased slightly in Italy compared with the same period of the previous year (-1.4%), while Spain registered a small increase (+1.1%). Demand in both countries has been hampered by the increase in electricity prices due to the crisis in the gas market. The increase recorded in Spain is attributable to the measures implemented by the Spanish government, which have reduced the impact of commodity prices on the price of electricity. The figures for the first nine months of the two years indicate substantially no change

in demand. Demand in the Romanian market has suffered a more pronounced contraction, falling by 6% in the 3rd Quarter compared with the previous year.

Conversely, demand in Latin America is rising, with Argentina and Colombia posting increases in electricity demand of 8% and 5.3% respectively compared with the first nine months of 2021. Chile also posted growth, although the increase was less robust (+2.3%), while demand in Brazil was broadly unchanged.

## Electricity prices

	Average baseload price Q3 2022 (€/MWh)	Change in average baseload price Q3 2022 - Q3 2021	Average peakload price Q3 2022 (€/MWh)	Change in average peakload price Q3 2022 - Q3 2021
<b>Italy</b>	<b>471.6</b>	<b>276.4%</b>	<b>515.9</b>	<b>279.9%</b>
Spain	145.9	22.5%	148.0	22.3%

Electricity prices rose sharply in the 3rd Quarter of 2022, reflecting the growing tensions on energy markets. The increase was very marked in Italy, where the price rose by more than 270% compared with last year. The increase in

Spain is less pronounced (around 20% compared with the 3rd Quarter of 2021), thanks to regulatory measures that have impacted determination of the prices of electricity from thermal generation.

## Natural gas demand

3rd Quarter				Billions of m <sup>3</sup>	First nine months			
2022	2021	Change			2022	2021	Change	
<b>12.0</b>	<b>13.1</b>	<b>(1.1)</b>	<b>-8.4%</b>	<b>Italy</b>	<b>50.5</b>	<b>52.5</b>	<b>(2.0)</b>	<b>-3.8%</b>
7.5	7.3	0.2	2.7%	Spain	24.1	23.2	0.9	3.9%

In Italy, natural gas demand decreased by 8.4% in the 3rd Quarter of 2022 compared with the same period of the previous year, while the reduction in the first nine months was less marked at 3.8%. In Spain, demand increased by 2.7% compared with the 3rd Quarter of 2021 and by 3.9%

comparing the first nine months of the year. The divergence between these countries is the result of a differences in gas price developments, which have been driven by regulatory factors (a price cap in Spain) and supply factors (the Spanish market's low dependence on Russia).

## Natural gas demand in Italy

3rd Quarter				Billions of m <sup>3</sup>	First nine months			
2022	2021	Change			2022	2021	Change	
2.7	3.0	(0.3)	-10.0%	Distribution networks	21.0	22.3	(1.3)	-5.8%
2.7	3.3	(0.6)	-18.2%	Industry	9.3	10.5	(1.2)	-11.4%
6.4	6.6	(0.2)	-3.0%	Thermal generation	19.1	18.5	0.6	3.2%
0.2	0.2	-	-	Other <sup>(1)</sup>	1.1	1.2	(0.1)	-8.3%
<b>12.0</b>	<b>13.1</b>	<b>(1.1)</b>	<b>-8.4%</b>	<b>Total</b>	<b>50.5</b>	<b>52.5</b>	<b>(2.0)</b>	<b>-3.8%</b>

(1) Includes other consumption and losses.

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

The demand for natural gas in Italy in the 3rd Quarter of 2022 amounted to 12 billion cubic meters, a sharp decrease compared with the same period of 2021. There was a substantial decrease in industry (-18.2%), reflecting the strong impact of gas prices on production. Demand from distribution networks also fell (-10%), while the decline in demand for thermal

generation was less pronounced (-3%), supported by the low level of generation from other technologies. Demand in the first nine months declined compared with 2021 (-3.8%), with rise in demand for gas for thermal generation partially offsetting the decrease recorded in the other segments.

# Significant events in the 3rd Quarter of 2022

## Enel sells entire 56.43% stake in PJSC Enel Russia

On June 16, 2022, Enel SpA signed agreements for the sale of its entire stake in the share capital of PJSC Enel Russia. Specifically, Enel signed two separate agreements with, respectively, PJSC Lukoil and Closed Combined Mutual Investment Fund "Gazprombank-Frezia" for the sale of the entire stake held in Enel Russia, equal to 56.43% of the latter's share capital, for a total of about €137 million to be paid at closing.

On October 12, 2022, following the fulfilment of all the conditions set out in the two separate contracts, including

approval of the transaction by the President of the Russian Federation in accordance with paragraph 5 of Decree no. 520 of August 5, 2022, the disposal of the entire stake in PJSC Enel Russia was finalized at the agreed price of €137 million.

As result of the transaction, Enel has disposed of all its Russian power generation assets, which included approximately 5.6 GW of conventional capacity and around 300 MW of wind capacity at various stages of development.

## Extraordinary 2022 rate revision (Rio de Janeiro) – Brazil

On July 13, 2022, Enel Distribuição Rio de Janeiro initiated a precautionary action ("writ of mandamus") to suspend the effects of Resolution no. 3064/2022 by which the *Agência Nacional de Energia Elétrica* (ANEEL) approved, on 12 July 2022, an extraordinary rate revision for 2022, the impact of which was provisionally calculated at about R\$300 million (approximately €59 million). On July 27, 2022, the Federal

Court granted Enel Distribuição Rio de Janeiro's precautionary petition, granting the suspension of the effects of Resolution no. 3064/2022 until further decision. On August 3, 2022, ANEEL appealed this decision and, subsequently, filed a memo asking the Court to reconsider the precautionary relief granted to Enel Distribuição Rio de Janeiro.

## Enel and Intesa Sanpaolo complete acquisition of Mooney

On July 14, 2022, Enel SpA, acting through its wholly-owned subsidiary Enel X, and Intesa Sanpaolo, acting through its subsidiary Banca 5, finalized the acquisition from Schumann Investment, a company controlled by the international private equity fund CVC Capital Partners Fund VI, of 70% of the share capital of Mooney Group SpA.

Specifically, after having obtained the required administrative authorizations, Enel X acquired 50% of Mooney's share capital, whereas Banca 5, which previously owned a 30% stake of Mooney, increased its stake to 50%, placing Mooney under the joint control of both parties.

On the basis of a €1,385 million enterprise value for 100% of Mooney, Enel X paid a total of about €225 million (includ-

ing the price adjustment) for the equity portion and about €125 million for the purchase of a pre-existing receivable held by Schumann Investments SA in respect of Mooney.

On July 25, 2022, all the activities related to Enel X's financial service business in Italy, marketed under the brand Enel X Pay, were sold to Mooney. Specifically, Enel X sold to Mooney, for about €140 million, its entire stakes in the share capital of Enel X Financial Services, CityPoste Payment, PayTipper, Junia Insurance and subsidiaries, hence creating a joint European-based fintech. These transactions are in line with Enel Group's 2022-2024 Strategic Plan and fall under the Stewardship model.

## Agreement for the sale of electricity transmission business in Chile

On July 28, 2022, Enel SpA announced that its listed subsidiary Enel Chile SA had signed with Sociedad Transmisoras Metropolitana SpA (STM) and its parent Inversiones Grupo Saesa Ltda, acting as guarantor, an agreement to sell its entire stake in the listed Chilean power transmission company Enel Transmisión Chile SA, equal to 99.09% of the latter's share capital. The sale will be carried out through a full takeover bid STM has undertaken to launch following approval from the Chilean antitrust authority *Fiscalía Nacional Económica* (FNE) and is subject to certain conditions customary for this kind of transaction. The agreement

provides for STM to pay an equity consideration of \$1,345 million for the entire stake held by Enel Chile in Enel Transmisión Chile, equal to an enterprise value of €1,526 million. That price will be subject to a price adjustment mechanism based on an interest rate from January 1, 2022 until the launch date of the takeover bid.

Following completion of the takeover bid, STM will acquire the entire stake held by Enel Chile in Enel Transmisión Chile and repay the latter's intercompany loans. The transaction is expected to close by the end of the year.

## Enel successfully issues €1 billion sustainability-linked bond on the Eurobond market

On September 6, 2022, the Dutch finance company Enel Finance International NV controlled by Enel SpA issued a sustainability-linked bond for institutional investors in the Eurobond market for a total amount of €1 billion.

The new issue is linked to the achievement of Enel's sustainability objective for the reduction of direct greenhouse gas emissions (Scope 1), contributing to achievement of United Nations Sustainable Development Goal (SDG) 13

("Climate Action") in accordance with the Group's Sustainability-Linked Financing Framework.

In line with the Strategic Plan, the new sustainability-linked bond contributes to the achievement of the Group's objectives for sustainable finance sources as a proportion of the Group's total gross debt, set at about 65% in 2024 and over 70% in 2030.

## Enel signs agreement for sale of power distribution company in the state of Goiás in Brazil

On September 23, 2022, Enel SpA announced that its subsidiary Enel Brasil SA, controlled through the Chilean listed company Enel Américas SA, had signed with Equatorial Participações e Investimentos SA, a subsidiary of Equatorial Energia SA (Equatorial), an agreement for the sale of its entire stake in the Brazilian power distribution company Celg Distribuição SA - Celg-D (Enel Goiás), equal to about 99.9% of the latter's share capital.

The sale is subject to approval of the transaction by the boards of directors of Enel Brasil and Enel Américas and to certain additional conditions customary for this kind of transaction, including the authorization by the Brazilian electricity regulator *Agência Nacional de Energia Elétrica*

(ANEEL) and the country's competition authority *Conselho Administrativo de Defesa Econômica* (CADE).

The agreement provides that for the entire stake held by Enel Brasil in Enel Goiás, Enel Brasil will receive a total of about R\$7.3 billion (equivalent to about \$1.4 billion), subject to adjustments until the closing.

Of the total price:

- Equatorial will pay about R\$1.6 billion (equivalent to over \$300 million) on closing (expected to come by the end of the year) for the equity portion; and
- Enel Goiás will repay intercompany loans in the amount of about R\$5.7 billion (equivalent to around \$1.1 billion) within 12 months of the closing.

## **Criminal proceeding concerning accident opened against e-distribuzione - Italy**

With regard to the proceeding initiated by the Taranto Public Prosecutor's Office against a number of employees and managers of e-distribuzione SpA as well as the company itself under the provisions of Legislative Decree 231/2001 concerning an accident involving an employee of a contractor, during the investigative phase, an unrepeatable technical assessment was ordered and the report

of the Technical Consultant of the Public Prosecutor, dated December 15, 2021, was filed and incorporated in the Public Prosecutor's case. In September 2022, the defendants were notified of the conclusion of the preliminary investigation. With the grant of access to the Public Prosecutor's file, the defense learned of the decision to dismiss charges against a number of defendants.

## **Penalty proceeding begun by the Energy Directorate General of the Government of the Canary Islands - Spain**

One of the three proceedings (ES.AE.LP 006/2019ES) notified on October 6, 2021 by the Energy Directorate General of the Government of the Canary Islands against Edistribución Redes Digitales SLU (EDRD) for alleged violations consisting in the unjustified refusal or alteration of the connection permit to a grid node and non-compliance with the maintenance and correct operation obligations of a contact service for complaints and incidents was closed without imposing any penalty.

With regard to the disciplinary proceedings initiated on November 18, 2021 by the Energy Directorate General, on September 28, 2022 the Directorate notified EDRD of a proposed resolution dated September 26, 2022 to fine EDRD about €31.5 million for having been identified as responsible for the commission of five serious and two very serious infringements envisaged under the provisions of the Electricity Industry Act (Law 24/2013). At present, no penalties have been imposed.

# Performance of the Group

The following presents the operating and financial performance of the Group.

## Operations

SDG	First nine months		
	2022	2021	Change
Net electricity generation (TWh)	174.3	164.2	10.1
of which:			
7 - renewable (TWh)	83.5	80.9	2.6
Total net efficient installed capacity (GW)	87.9	87.1 <sup>(1)</sup>	0.8
7 Net efficient installed renewables capacity (GW)	51.6	50.1 <sup>(1)</sup>	1.5
7 Net efficient installed renewables capacity (%) <sup>(2)</sup>	58.4%	57.5% <sup>(1)</sup>	0.9
7 Additional efficient installed renewables capacity (GW)	2.28	2.60	(0.32)
9 Electricity transported on the Enel distribution grid (TWh) <sup>(3)</sup>	387.1	382.6	4.5
9 End users with active smart meters (no.)	45,380,143	44,843,287	536,856
9 Electricity distribution and transmission grid (km)	2,254,885	2,233,368 <sup>(1)</sup>	21,517
End users (no.)	75,894,254	74,980,778	913,476
Electricity sold by Enel (TWh)	242.3	232.6	9.7
Gas sold to end users (billions of m <sup>3</sup> ) <sup>(3)</sup>	7.5	6.5	1.0
Retail customers (no.)	70,209,823	69,019,595	1,190,228
- of which free market <sup>(3)</sup>	27,791,184	24,178,304	3,612,880
11 Demand response (MW)	8,226	7,689	537
11 Charging points (no.)	215,757	137,955	77,802
11 Storage (MW)	751	375 <sup>(1)</sup>	376

(1) At December 31, 2021.

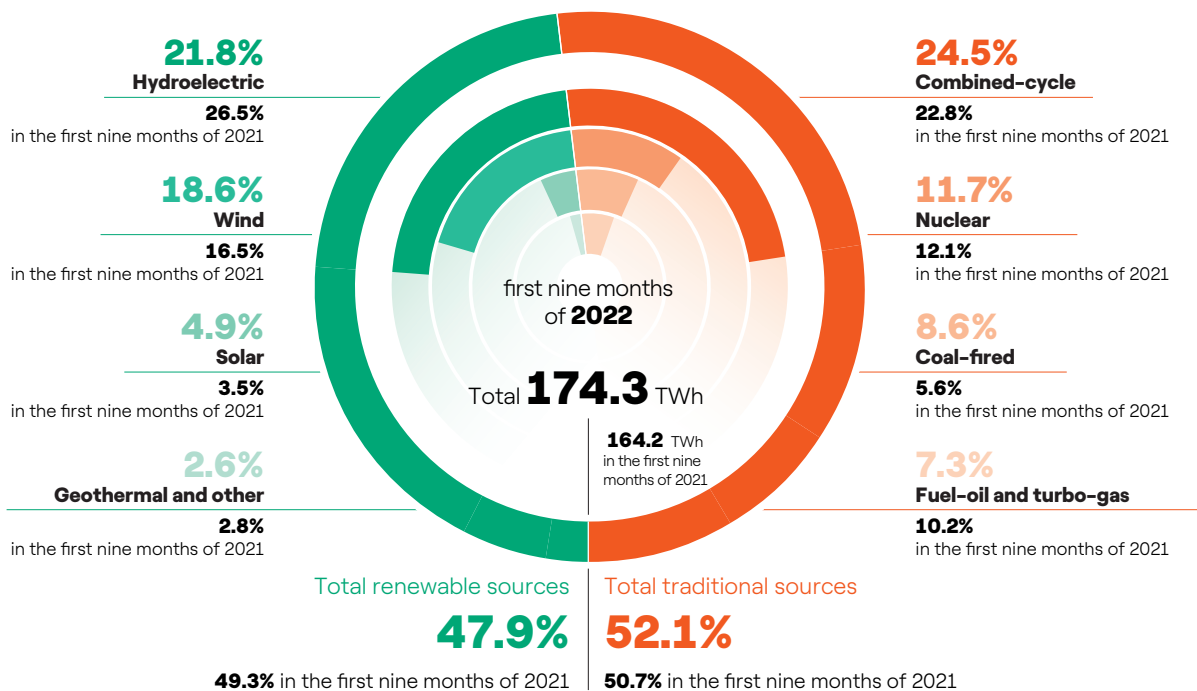
(2) The calculation does not include 531.1 MW of purchased net efficient installed renewables capacity at September 30, 2022 and 3.9 MW at December 31, 2021.

(3) The figures for the first nine months of 2021 reflect a more accurate calculation of the aggregate.

**Net electricity generated by Enel** in the first nine months of 2022 increased by 10.1 TWh compared with the same period of 2021 (+6.2%), reflecting an increase in thermal generation (+7.4 TWh), including nuclear plants, with the rise mainly coming in Italy and Spain. The rise in thermal output also reflected the need to compensate for a decrease in hydroelectric generation in those countries (-5.5

TWh) as a result of poor water conditions in the period. Generation from the remaining renewable sources increased by 8.2 TWh compared with the same period of 2021, notably from wind plants (+5.3 TWh), mainly in Brazil and the United States, and solar plants (+2.8 TWh), mainly in Spain, Chile and North America.

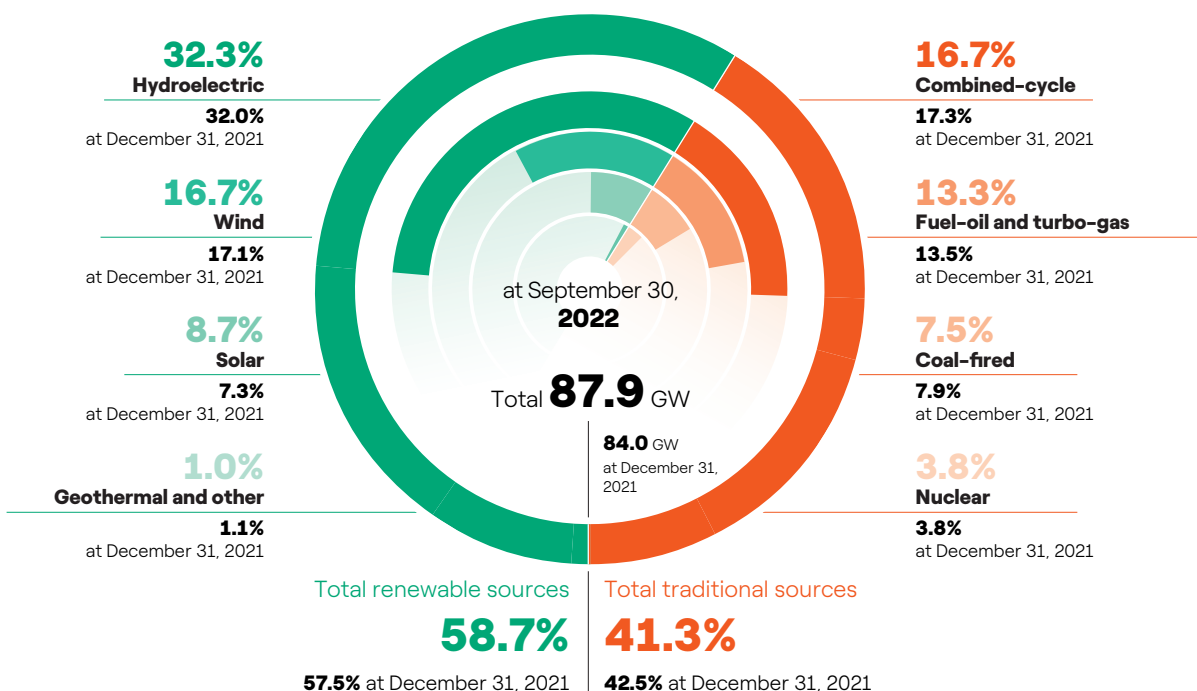
## Net electricity generation by source (first nine months of 2022)



**Net efficient installed capacity** increased by 0.8 GW in the first nine months of 2022, mainly as a result of the installation of 1.3 GW of new solar capacity and 0.5 GW of new wind capacity and the purchase of new hydroelectric plants in Italy with 0.5 GW of capacity. These increases were only partially offset by a reduction in net efficient in-

stalled thermal capacity (-0.7 GW), mainly attributable to the decommissioning of the Bocamina II power plant in Chile and the sale of CGT Fortaleza in Brazil, as well as the decommissioning of a number of hydroelectric plants in Chile totaling 0.04 GW of capacity and the sale of a number of renewables companies in South Africa with 0.74 GW.

## Net efficient installed capacity by source (at September 30, 2022)



**Electricity transported on the Enel distribution grid** in the first nine months of 2022 amounted to 387.1 TWh, an increase of 4.5 TWh (+1.2%) on the same period of 2021, mainly reflecting wheeling in Spain (+3.2 TWh) and Latin America (+2.5 TWh). These positive factors were partly offset by a decline in power transported in Italy (-1 TWh).

**Electricity sold by Enel** in the first nine months of 2022 amounted to 242.3 TWh, an increase of 9.7 TWh (+4.2%) compared with the same period of the previous year. Quantities sold primarily increased in Italy (+4.2 TWh), Chile (+2.8 TWh) and Brazil (+0.9 TWh).

**Gas sold by Enel** in the first nine months of 2022 amounted to 7.5 billion cubic meters, an increase of 1 billion cubic meters compared with the same period of the previous year (+15.4%).

**Enel charging points** increased by 77,802 units in the first

nine months of 2022 compared with the previous year. Charging points sold to private parties increased by 73,486 units, mainly in North America and Italy, while public charging points increased by 3,956, mainly in Italy and Spain.

The Enel Group **workforce** at September 30, 2022 numbered 67,381, of whom 36,195 were employed in companies outside of Italy. The increase of 1,102 in the first nine months of 2022 reflects the balance between new hires and terminations (+1,127) and the change in the consolidation scope (-25), largely reflecting:

- the acquisition of Enel Hydro Appennino Centrale Srl in Italy;
- the acquisition of Melita Italy Srl in Italy;
- the sale of PayTipper SpA in Italy;
- the sale of CityPoste Payment SpA in Italy;
- the sale of PayTipper Network Srl in Italy;
- the sale of FlagPay Srl in Italy;
- the sale of Enel Geração Fortaleza SA in Brazil.

No.	at Sept. 30, 2022	at Dec. 31, 2021	Percentage of total at Sept. 30, 2022	Percentage of total at Dec. 31, 2021
Thermal Generation and Trading	7,704	7,847	11.4%	11.8%
Enel Green Power	9,682	8,989	14.4%	13.6%
Enel Grids	33,663	33,263	50.0%	50.2%
End-user Markets	6,102	6,148	9.1%	9.3%
Enel X	2,865	3,352	4.3%	5.1%
Holding, Services and Other	7,365	6,680	10.9%	10.1%
<b>Total</b>	<b>67,381</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			
	First nine months				First nine months			
	2022	2021	Change		2022	2021	Change	
Revenue <sup>(2)</sup>	108,177	58,794	49,383	84.0%	108,177	58,794	49,383	84.0%
Costs	97,609	47,020	50,589	-	97,859	48,373	49,486	-
Net results from commodity contracts	2,103	996	1,107	-	2,103	996	1,107	-
<b>Gross operating profit/(loss)<sup>(2)</sup></b>	<b>12,671</b>	<b>12,770</b>	<b>(99)</b>	<b>-0.8%</b>	<b>12,421</b>	<b>11,417</b>	<b>1,004</b>	<b>8.8%</b>
Depreciation, amortization and impairment losses	5,456	4,836	620	12.8%	6,900	5,024	1,876	37.3%
<b>Operating profit/(loss)<sup>(2)</sup></b>	<b>7,215</b>	<b>7,934</b>	<b>(719)</b>	<b>-9.1%</b>	<b>5,521</b>	<b>6,393</b>	<b>(872)</b>	<b>-13.6%</b>
Financial income <sup>(2)</sup>	8,448	4,068	4,380	-	8,474	4,069	4,405	-
Financial expense	10,173	5,950	4,223	71.0%	10,197	5,960	4,237	71.1%
<b>Net financial expense<sup>(2)</sup></b>	<b>(1,725)</b>	<b>(1,882)</b>	<b>157</b>	<b>8.3%</b>	<b>(1,723)</b>	<b>(1,891)</b>	<b>168</b>	<b>8.9%</b>
<b>Share of profit/(loss) of equity-accounted investments</b>	<b>55</b>	<b>122</b>	<b>(67)</b>	<b>-54.9%</b>	<b>55</b>	<b>428</b>	<b>(373)</b>	<b>-87.1%</b>
<b>Pre-tax profit/(loss)</b>	<b>5,545</b>	<b>6,174</b>	<b>(629)</b>	<b>-10.2%</b>	<b>3,853</b>	<b>4,930</b>	<b>(1,077)</b>	<b>-21.8%</b>
Income taxes	1,636	2,071	(435)	-21.0%	1,561	1,662	(101)	-6.1%
<b>Profit/(Loss) from continuing operations</b>	<b>3,909</b>	<b>4,103</b>	<b>(194)</b>	<b>-4.7%</b>	<b>2,292</b>	<b>3,268</b>	<b>(976)</b>	<b>-29.9%</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>3,909</b>	<b>4,103</b>	<b>(194)</b>	<b>-4.7%</b>	<b>2,292</b>	<b>3,268</b>	<b>(976)</b>	<b>-29.9%</b>
Attributable to owners of the Parent	2,977	3,289	(312)	-9.5%	1,759	2,505	(746)	-29.8%
Attributable to non-controlling interests	932	814	118	14.5%	533	763	(230)	-30.1%

(1) The ordinary income statement does not include certain items as specified in the section "Definition of performance indicators" in this Report on Operations.

(2) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

## Revenue

Millions of euro	First nine months			
	2022	2021	Change	
Sale of electricity	56,465	29,945	26,520	88.6%
Transport of electricity	8,286	8,088	198	2.4%
Fees from network operators	633	663	(30)	-4.5%
Transfers from institutional market operators	971	886	85	9.6%
Sale of gas	6,163	1,917	4,246	-
Transport of gas	272	405	(133)	-32.8%
Sale of fuels	4,149	1,056	3,093	-
Fees for connection to electricity and gas networks	623	568	55	9.7%
Revenue from construction contracts <sup>(1)</sup>	1,253	838	415	49.5%
Sale of commodities with physical settlement and fair value gain/ (loss) on contracts settled in the period	25,829	11,683	14,146	-
Sales connected with value-added services	997	762	235	30.8%
Other revenue	2,536	1,983	553	27.9%
<b>Total<sup>(1)</sup></b>	<b>108,177</b>	<b>58,794</b>	<b>49,383</b>	<b>84.0%</b>

(1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

The increase in **revenue** in the first nine months of 2022 is essentially attributable to an increase in the average sales prices of energy commodities (electricity and gas) as well as an increase in quantities sold in the period.

Other revenue increased by €553 million in the first nine months of 2022, mainly due to the sale of 1.1% of the eq-

uity interest in Ufnet (€220 million), the sale of a number of Enel X companies (€67 million), the recognition of negative goodwill on the acquisition of Prowind Windfarm Ivesti (€16 million) and an increase in sales of materials and various services, especially in Italy.

## Costs

Millions of euro	First nine months			
	2022	2021	Change	
Electricity purchases	39,862	15,917	23,945	-
Consumption of fuel for electricity generation	6,961	2,639	4,322	-
Fuel for trading and gas for sale to end users	30,925	11,982	18,943	-
Materials	2,596	1,435	1,161	80.9%
Personnel expenses	3,549	4,128	(579)	-14.0%
Services, leases and rentals	12,608	12,213	395	3.2%
Other operating expenses	3,561	2,017	1,544	76.5%
Capitalized costs	(2,203)	(1,958)	(245)	-12.5%
<b>Total</b>	<b>97,859</b>	<b>48,373</b>	<b>49,486</b>	<b>-</b>

As with revenue, **costs** in the first nine months of 2022 also rose significantly, mainly reflecting the increase in commodity prices.

## Net results from commodity contracts

Net results from commodity contracts connected with hedging activities in the first nine months of 2022 in-

creased by €1,107 million, largely as a result of fluctuations in market prices.

## Ordinary gross operating profit

Millions of euro	First nine months			Change	
	2022	2021			
Thermal Generation and Trading	4,479	1,709	2,770	-	
Enel Green Power	2,164	3,046	(882)	-29.0%	
Enel Grids <sup>(1)</sup>	5,307	5,494	(187)	-3.4%	
End-user Markets	287	2,363	(2,076)	-87.9%	
Enel X <sup>(2)</sup>	554	245	309	-	
Holding, Services and Other <sup>(2)</sup>	(120)	(87)	(33)	-37.9%	
<b>Total<sup>(1) (2)</sup></b>	<b>12,671</b>	<b>12,770</b>	<b>(99)</b>	<b>-0.8%</b>	

(1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

(2) The figures for the Enel X Business Line have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

**Ordinary gross operating profit** amounted to €12,671 million, a decrease of €99 million compared with the first nine months of 2021.

The adverse effects of the increase in electricity purchase and generation costs, which partly reflected the decline in the contribution of hydroelectric power to the energy mix in Italy and Spain as a result of poor water conditions in

the period, were partly offset by the increase in volumes sold and higher average prices, the optimal management of energy commodity hedging instruments and the impact of the partial sale of the investment in Ufnet (€220 million), the sale of a number of Enel X companies (€67 million) and negative goodwill recorded on the acquisition of Prowind Windfarm Ivesti in Romania (€16 million).

## Gross operating profit

Millions of euro	First nine months 2022						
	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total
<b>Ordinary gross operating profit/(loss)</b>	<b>4,479</b>	<b>2,164</b>	<b>5,307</b>	<b>287</b>	<b>554</b>	<b>(120)</b>	<b>12,671</b>
Energy-transition and digitalization costs	(62)	-	(17)	(2)	(1)	(8)	(90)
Capital loss on sale of CGTF - Central Geradora Termelétrica Fortaleza	(134)	-	-	-	-	-	(134)
COVID-19 costs	(4)	(4)	(11)	(2)	(1)	(4)	(26)
<b>Gross operating profit/(loss)</b>	<b>4,279</b>	<b>2,160</b>	<b>5,279</b>	<b>283</b>	<b>552</b>	<b>(132)</b>	<b>12,421</b>

Millions of euro	First nine months 2021						
	Thermal Generation and Trading	Enel Green Power	Enel Grids <sup>(1)</sup>	End-user Markets	Enel X <sup>(2)</sup>	Holding, Services and Other <sup>(2)</sup>	Total <sup>(1) (2)</sup>
<b>Ordinary gross operating profit/(loss)</b>	<b>1,709</b>	<b>3,046</b>	<b>5,494</b>	<b>2,363</b>	<b>245</b>	<b>(87)</b>	<b>12,770</b>
Energy-transition and digitalization costs	(575)	(40)	(390)	(92)	(12)	(205)	(1,314)
COVID-19 costs	(6)	(5)	(23)	(1)	-	(4)	(39)
<b>Gross operating profit/(loss)</b>	<b>1,128</b>	<b>3,001</b>	<b>5,081</b>	<b>2,270</b>	<b>233</b>	<b>(296)</b>	<b>11,417</b>

(1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

(2) The figures for the Enel X Business Line have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

## Ordinary operating profit

Millions of euro	First nine months			Change
	2022	2021		
Thermal Generation and Trading	3,846	1,027	2,819	-
Enel Green Power	1,042	2,068	(1,026)	-49.6%
Enel Grids <sup>(1)</sup>	3,080	3,543	(463)	-13.1%
End-user Markets	(819)	1,453	(2,272)	-
Enel X <sup>(2)</sup>	390	104	286	-
Holding, Services and Other <sup>(2)</sup>	(324)	(261)	(63)	-24.1%
<b>Total<sup>(1) (2)</sup></b>	<b>7,215</b>	<b>7,934</b>	<b>(719)</b>	<b>-9.1%</b>

- (1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.
- (2) The figures for the Enel X Business Line have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

Ordinary operating profit amounted to €7,215 million, a decrease of €719 million compared with the same period of 2021. The decline reflects the aforementioned reduction in ordinary gross operating profit and an increase in

depreciation, essentially due to the entry into service of new generation plants and an increase in writedowns of trade receivables, especially in Italy in connection with an increase in sales in the period.

## Operating profit

Non-recurring items included in operating profit and not reported in the table for gross operating profit also include the recognition of impairment on the net assets of Enel Russia, Celg-D (a distribution company in the Brazilian state of Goiás) and CGT Fortaleza in Brazil, equal to €505

million, €824 million and €73 million respectively. These impairment losses were recognized as a consequence of the classification of the net assets as available for sale. Accordingly, their carrying amount was adjusted to the lower of original cost and sale price net of any costs to sell.

Millions of euro	First nine months 2022						
	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total
<b>Ordinary operating profit/(loss)</b>	<b>3,846</b>	<b>1,042</b>	<b>3,080</b>	<b>(819)</b>	<b>390</b>	<b>(324)</b>	<b>7,215</b>
Energy-transition and digitalization costs	(72)	-	(17)	(2)	(1)	(8)	(100)
Capital losses and impairment losses	(712)	(8)	(842)	(6)	-	-	(1,568)
COVID-19 costs	(4)	(4)	(11)	(2)	(1)	(4)	(26)
<b>Operating profit/(loss)</b>	<b>3,058</b>	<b>1,030</b>	<b>2,210</b>	<b>(829)</b>	<b>388</b>	<b>(336)</b>	<b>5,521</b>

Millions of euro	First nine months 2021						
	Thermal Generation and Trading	Enel Green Power	Enel Grids <sup>(1)</sup>	End-user Markets	Enel X <sup>(2)</sup>	Holding, Services and Other <sup>(2)</sup>	Total <sup>(1) (2)</sup>
<b>Ordinary operating profit/(loss)</b>	<b>1,027</b>	<b>2,068</b>	<b>3,543</b>	<b>1,453</b>	<b>104</b>	<b>(261)</b>	<b>7,934</b>
Energy-transition and digitalization costs	(586)	(40)	(390)	(92)	(12)	(205)	(1,325)
Impairment losses	-	(165)	(12)	-	-	-	(177)
COVID-19 costs	(6)	(5)	(23)	(1)	-	(4)	(39)
<b>Operating profit/(loss)</b>	<b>435</b>	<b>1,858</b>	<b>3,118</b>	<b>1,360</b>	<b>92</b>	<b>(470)</b>	<b>6,393</b>

- (1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.
- (2) The figures for the Enel X Business Line have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

## Group ordinary profit

**Group ordinary profit** in the first nine months of 2022 amounted to €2,977 million, a decrease of €312 million on the €3,289 million registered for the same period of the previous year (-9.5%).

This reduction was partially offset by more efficient financial management connected with liability management activities undertaken in previous periods and a reduction in the tax burden.

## Group profit

Millions of euro	First nine months	
	2022	2021
<b>Group ordinary profit</b>	<b>2,977</b>	<b>3,289</b>
Capital losses and impairment losses	(1,137)	(133)
Energy-transition and digitalization costs	(40)	(922)
COVID-19 costs	(17)	(26)
Writedown of certain assets related to the sale of the investment in Slovenské elektrárne	(24)	297
<b>Group profit</b>	<b>1,759</b>	<b>2,505</b>

**Group profit** in the first nine months of 2022 amounted to €1,759 million, a decrease of €746 million on the same period of 2021 (€2,505 million in the first nine months of 2021). The table above provides a reconciliation of Group

profit with Group ordinary profit in the first nine months of 2022, 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 structure

## Net capital employed and associated funding

Changes in and the composition of net capital employed are detailed in the following schedule.

Millions of euro	at Sept. 30, 2022	at Dec. 31, 2021	Change	
<b>Net non-current assets:</b>				
- property, plant and equipment and intangible assets	110,368	102,733	7,635	7.4%
- goodwill	14,219	13,821	398	2.9%
- equity-accounted investments	902	704	198	28.1%
- other net non-current assets/(liabilities)	(6,187)	(4,496)	(1,691)	-37.6%
<b>Total net non-current assets</b>	<b>119,302</b>	<b>112,762</b>	<b>6,540</b>	<b>5.8%</b>
<b>Net working capital:</b>				
- trade receivables	21,073	16,076	4,997	31.1%
- inventories	5,594	3,109	2,485	79.9%
- net receivables due from institutional market operators	(87)	(762)	675	88.6%
- other net current assets/(liabilities)	(7,801)	(10,940)	3,139	28.7%
- trade payables	(18,527)	(16,959)	(1,568)	-9.2%
<b>Total net working capital</b>	<b>252</b>	<b>(9,476)</b>	<b>9,728</b>	<b>-</b>
<b>Gross capital employed</b>	<b>119,554</b>	<b>103,286</b>	<b>16,268</b>	<b>15.8%</b>
<b>Provisions:</b>				
- employee benefits	(2,415)	(2,724)	309	11.3%
- provisions for risks and charges and net deferred taxes	(7,024)	(6,548)	(476)	-7.3%
<b>Total provisions</b>	<b>(9,439)</b>	<b>(9,272)</b>	<b>(167)</b>	<b>-1.8%</b>
<b>Net assets held for sale</b>	<b>2,346</b>	<b>280</b>	<b>2,066</b>	<b>-</b>
<b>Net capital employed</b>	<b>112,461</b>	<b>94,294</b>	<b>18,167</b>	<b>19.3%</b>
<b>Total equity</b>	<b>42,725</b>	<b>42,342</b>	<b>383</b>	<b>0.9%</b>
<b>Net financial debt</b>	<b>69,736</b>	<b>51,952</b>	<b>17,784</b>	<b>34.2%</b>

**Net capital employed** at September 30, 2022 amounted to €112,461 million and was funded by equity attributable to the owners of the Parent and non-controlling interests in the amount of €42,725 million and net financial debt of €69,736 million. At September 30, 2022 the debt/equity ratio was 1.63 (1.23 at December 31, 2021). The increase in net capital employed mainly reflected:

- an increase in property, plant and equipment and intangible assets (€7,635 million), mainly due to capital expenditure in the period (€8,405 million), positive exchange rate developments (€4,314 million), and 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 of €4,586 million and the reclassification of €2,946 million of net non-current assets held for sale of Enel Russia, Celg-D and Enel Transmisión Chile;

- an increase in net working capital as a result of government measures, the payment of dividends and macroeconomic conditions in the energy market.

As noted, the item "Net assets held for sale" increased primarily as a result of the disposals initiated in 2022 and not yet been finalized at September 30 of Enel Russia, Celg-D (a distribution company operating in the Brazilian state of Goiás) and Enel Transmisión Chile.

**Equity** at September 30, 2022 increased by €383 million. More specifically, equity attributable to owners of the Parent increased by €693 million, mainly reflecting the increase in the translation reserve of €2,492 million and profit for the period of €1,759 million, net of dividends distributed in the first nine months of 2022 in the amount of

€2,010 million and the decrease in OCI reserves of €1,552 million, in particular the cash flow hedge reserves. Equity attributable to non-controlling interests decreased by €310 million, partly the corporate reorganization carried out in Latin America in the first nine months of 2022.

## Net financial debt

The following schedule shows the composition of and changes in net financial debt.

Millions of euro	at Sept. 30, 2022	at Dec. 31, 2021	Change	
<b>Long-term debt:</b>				
- bank borrowings	18,710	12,579	6,131	48.7%
- bonds	47,130	39,099	8,031	20.5%
- other borrowings <sup>(1)</sup>	2,982	2,942	40	1.4%
<i>Long-term debt</i>	<i>68,822</i>	<i>54,620</i>	<i>14,202</i>	<i>26.0%</i>
Long-term financial assets and securities	(3,758)	(2,692)	(1,066)	-39.6%
<b>Net long-term debt</b>	<b>65,064</b>	<b>51,928</b>	<b>13,136</b>	<b>25.3%</b>
<b>Short-term debt</b>				-
Bank borrowings:				-
- current portion of long-term bank borrowings	942	989	(47)	-4.8%
- other short-term bank borrowings	5,332	1,329	4,003	-
<i>Short-term bank borrowings</i>	<i>6,274</i>	<i>2,318</i>	<i>3,956</i>	-
Bonds (current portion)	3,016	2,700	316	11.7%
Other borrowings (current portion)	323	342	(19)	-5.6%
Commercial paper	14,270	10,708	3,562	33.3%
Cash collateral on derivatives and other financing	2,972	918	2,054	-
Other short-term financial borrowings <sup>(2)</sup>	400	363	37	10.2%
<i>Other short-term debt</i>	<i>20,981</i>	<i>15,031</i>	<i>5,950</i>	<i>39.6%</i>
Long-term loan assets (short-term portion)	(2,695)	(1,538)	(1,157)	-75.2%
Loan assets - cash collateral	(11,935)	(6,485)	(5,450)	-84.0%
Other short-term financial assets	(1,384)	(356)	(1,028)	-
Cash and cash equivalents with banks and short-term securities	(6,569)	(8,946)	2,377	26.6%
<i>Cash and cash equivalents and short-term financial assets</i>	<i>(22,583)</i>	<i>(17,325)</i>	<i>(5,258)</i>	<i>-30.3%</i>
<b>Net short-term debt</b>	<b>4,672</b>	<b>24</b>	<b>4,648</b>	-
<b>NET FINANCIAL DEBT</b>	<b>69,736</b>	<b>51,952</b>	<b>17,784</b>	<b>34.2%</b>
<b>Net financial debt of "Assets held for sale"</b>	<b>413</b>	<b>699</b>	<b>(286)</b>	<b>-40.9%</b>

(1) Includes non-current financial borrowings presented under "Other non-current liabilities" in the consolidated statement of financial position equal to €129 million at September 30, 2022 (€120 million at December 31, 2021). For more information, please see note 8 to the condensed consolidated quarterly financial statements at September 30, 2022.

(2) Includes current financial borrowings included in "Other current liabilities" in the consolidated statement of financial position, equal to €3 million at September 30, 2022 (€12 million at December 31, 2021). For more information, please see note 8 to the condensed consolidated quarterly financial statements at September 30, 2022.

**Net financial debt** (not including net debt relating to assets classified as held for sale) increased by €17,784 million (+34.2%). More specifically, the change reflects (i) funding requirements associated with capital expenditure in the period (€9,356 million<sup>(2)</sup>), (ii) the payment of dividends totaling €4,785 million<sup>(3)</sup>, (iii) the purchase of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl) for a total of €1,196 million net of cash acquired, and (iv) exchange losses of €3,772 million.

The positive cash flows generated by operations, the sale of a number of equity investments no longer considered strategic and the reclassification of certain equity investments as available for sale (mainly Enel Russia) partially offset the funding needs associated with the factors noted above.

At September 30, 2022 **gross financial debt** amounted to €96,077 million, an increase of €24,108 million on December 31, 2021.

### Gross financial debt

Millions of euro	at Sept. 30, 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	73,103	22,974	96,077	58,651	13,318	71,969
of which:						
- sustainable financing	42,884	14,419	57,303	28,973	10,474	39,447
Sustainable financing/Total gross debt (%)			60%			55%

More specifically, **gross long-term financial debt** (including the short-term portion) amounted to €73,103 million, of which €42,884 million in respect of sustainability-linked financing. It breaks down as follows:

- bonds in the amount of €50,146 million, of which €26,743 million in sustainable bonds. Bonds increased by €8,347 million on December 31, 2021, mainly due to the following issues by Enel Finance International in the first nine months of 2022:
  - the issue of a multitranche sustainability-linked bond in the amount of €2,750 million in January;
  - the issue of a sustainability-linked bond in the amount of £750 million (equivalent to €855 million at September 30, 2022) in April;
  - the issue of a multitranche sustainability-linked bond in the amount of \$3,500 million (equivalent to €3,573 million at September 30, 2022) in June;
  - the issue of a sustainability-linked bond in the amount of €1,000 million in September;
- bank borrowings in the amount of €19,652 million, of which €16,141 million in sustainable financing. These

loans increased by a total of €6,084 million on December 31, 2021, mainly reflecting the use of new financing (of which €6,071 million in sustainability-linked loans) and adverse exchange rate developments, only partly offset by repayments in the period;

- other borrowings in the amount of €3,305 million, broadly unchanged on December 31, 2021.

**Gross short-term financial debt** increased by €9,656 million compared with December 31, 2021, totaling €22,974 million. It is primarily composed of commercial paper of €14,270 million, of which €14,268 million linked to sustainability goals, other short-term bank borrowings of €5,332 million and cash collateral on derivatives of €2,972 million.

Cash and cash equivalents and short- and long-term financial assets totaled €26,341 million, an increase of €6,324 million on December 31, 2021, mainly reflecting the increase of €5,450 million in cash collateral paid to €11,935 million compared with December 31, 2021.

(2) Includes €47 million regarding units classified as "held for sale".

(3) Includes €79 million in coupons paid to holders of perpetual hybrid bonds.



## Cash flows

**Cash flows from operating activities** in the first nine months of 2022 were a positive €907 million, down €4,160 million on the same period of 2021, mainly reflecting the impact of an increase in cash requirements connected with the change in net working capital.

**Cash flows from investing activities** in the first nine months of 2022 absorbed liquidity in the amount of €10,455 million, compared with €8,229 million in the year-earlier period. In particular, investments in property, plant and equipment, intangible assets and non-current contract assets amounted to €9,356 million, of which €47 million connected with assets classified as held for sale. This represented an increase on the same period of 2021 (€7,988 million, of which €87 million in respect of assets classified as held for sale).

Investments in entities or business units, net of cash and cash equivalents acquired, totaled €1,241 million and mainly regard the acquisition by Enel Produzione SpA of 100% of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl) for €1,196 million, net of cash acquired of €69 million.

Disposals of entities or business units, net of cash and cash equivalents sold, amounted to €139 million, and mainly regarded:

- the sale by EGP SpA to Al Rayyan Holding LLC (controlled by Qatar Investment Authority) of 50% of the investment held in EGP Matimba NewCo 1 Srl, the indirect owner of six projects in South Africa (for €102 million, net of cash sold of €6 million);
- the sale by Enel X Germany of its entire stake in Cremzow KG and Cremzow Verwaltungs (for €8 million, net of cash sold of €4 million);
- the sale by Enel Brasil SA of its entire stake in CGTF - Central Geradora Termelétrica Fortaleza SA (for €29 million, net of cash sold of €60 million).

The liquidity generated by investing/disinvesting activity in the first nine months of 2022 amounted to €3 million and mainly regards:

- the sale of 1.1% of the interest held by Enel X International in Ufnet, with net proceeds of €73 million;
- the sale by Enel Kansas LLC of 50% of the interest held in Rocky Caney Holdings LLC and EGPNA Renewable Energy Partners for a total of €94 million;
- the acquisition of 50% of Mooney for €225 million;
- smaller disinvestments, mainly in Italy, North America and Latin America.

**Cash flows from financing activities** showed the generation of liquidity in the total amount of €7,018 million, compared with €3,209 million in the first nine months of 2021. The flow in the first nine months of 2022 essentially reflected:

- an increase of €11,805 million in net financial debt (the balance of repayments, new borrowing and other changes);
- the payment of dividends in the amount of €4,706 million, in addition to €79 million paid to holders of hybrid bonds;
- capital increases of €12 million at subsidiaries with non-controlling interests, notably in Australia.

In the first nine months of 2022 cash requirements for investing activities in the amount of €10,455 million were funded by financing activities (€7,018 million), the reduction in cash and cash equivalents (€2,241 million) and cash flows generated by operating activities (€907 million). The change in cash and cash equivalents also reflected the effects connected with exchange gains posted by various local currencies against the euro in the amount of €289 million.

# Capital expenditure

Millions of euro	First nine months			
	2022	2021	Change	
Thermal Generation and Trading	499	418	81	19.4%
Enel Green Power	3,973	3,287	686	20.9%
Enel Grids	3,866	3,433	433	12.6%
End-user Markets	581	431	150	34.8%
Enel X	228	179	49	27.4%
Holding, Services and Other	162	153	9	5.9%
<b>Total<sup>(1)</sup></b>	<b>9,309</b>	<b>7,901</b>	<b>1,408</b>	<b>17.8%</b>

(1) Does not include €47 million regarding units classified as "held for sale" (€87 million in the first nine months of 2021).

**Capital expenditure** in the first nine months of 2022 amounted to €9,309 million, an increase of €1,408 million compared with the same period of the previous year. This trend is in line with the Paris Agreement on the reduction of CO<sub>2</sub> emissions and is guided by energy efficiency and energy-transition goals, strategic objectives for the Group. The main increase came in the renewables segment, in particular in Italy (€284 million), the United States (€204 million), Canada (€167 million), Spain (€147 million), Peru (€109 million), Chile (€23 million) and Australia (€ 18 million). There was a decrease in investments in Russia (€139 million), India (€58 million) and Brazil (€54 million).

Capital expenditure on grids is expanding constantly in order to maintain a high level of quality in electricity transmission services despite increasingly variable and unpredictable external climatic developments. In the first nine months of 2022, investments increased in Brazil (€196 million), Italy (€120 million), Argentina (€32 million) and Spain (€26 million), mainly for the installation of new smart meters, corrective maintenance and quality remote control activities.

Capital expenditure in the End-user Markets Business Line

increased, especially in Italy (€82 million) and Spain (€71 million), attributable essentially to the digitalization of customer-management processes.

The increase in investments by Enel X mainly came in Italy (€17 million) in the e-City business, in Iberia (€6 million), mainly in the e-Home business, reflecting the higher volumes of sales achieved compared with the first nine months of 2021, in Peru (€8 million) in the public lighting business, in Colombia (€3 million) as a result of the launch of new photovoltaic panel projects in the Distributed Energy business and finally in Brazil (€4 million) in the Smart Lighting and e-Home businesses, the latter reflecting the higher sales volumes achieved compared with 2021. Investments in the United States also rose (€11 million), with increases in the Demand Response and Battery Energy Storage businesses. Slower growth was registered in the Battery Energy Storage business in Australia and the e-Home business in Romania.

The growth of capital expenditure in Thermal Generation and Trading, especially in Italy (€88 million), is attributable to the conversion of certain coal plants into gas plants with lower CO<sub>2</sub> emissions.

# 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 segment, 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	Enel Grids	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, Enel Grids, 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).

# Performance by primary segment (Business Line) in the 3rd Quarter of 2022 and 2021

## 3rd Quarter of 2022<sup>(1)</sup>

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	15,659	1,701	4,591	18,356	541	71	40,919	-	40,919
Revenue and other income from transactions with other segments	7,532	745	901	2,162	2	498	11,840	(11,840)	-
<b>Total revenue and other income</b>	<b>23,191</b>	<b>2,446</b>	<b>5,492</b>	<b>20,518</b>	<b>543</b>	<b>569</b>	<b>52,759</b>	<b>(11,840)</b>	<b>40,919</b>
Net results from commodity contracts	(723)	106	-	1,318	(2)	(5)	694	-	694
<b>Gross operating profit/(loss)</b>	<b>1,614</b>	<b>828</b>	<b>1,647</b>	<b>33</b>	<b>147</b>	<b>(53)</b>	<b>4,216</b>	<b>-</b>	<b>4,216</b>
Depreciation, amortization and impairment losses	183	379	1,577	346	55	57	2,597	-	2,597
<b>Operating profit/(loss)</b>	<b>1,431</b>	<b>449</b>	<b>70</b>	<b>(313)</b>	<b>92</b>	<b>(110)</b>	<b>1,619</b>	<b>-</b>	<b>1,619</b>

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

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

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	7,193	1,795	4,674	8,428	372	41	22,503	-	22,503
Revenue and other income from transactions with other segments	2,748	610	859	(198)	10	496	4,525	(4,525)	-
<b>Total revenue and other income</b>	<b>9,941</b>	<b>2,405</b>	<b>5,533</b>	<b>8,230</b>	<b>382</b>	<b>537</b>	<b>27,028</b>	<b>(4,525)</b>	<b>22,503</b>
Net results from commodity contracts	501	(49)	-	336	-	3	791	-	791
<b>Gross operating profit/(loss)</b>	<b>261</b>	<b>823</b>	<b>1,868</b>	<b>699</b>	<b>99</b>	<b>(128)</b>	<b>3,622</b>	<b>-</b>	<b>3,622</b>
Depreciation, amortization and impairment losses	222	353	664	323	58	56	1,676	-	1,676
<b>Operating profit/(loss)</b>	<b>39</b>	<b>470</b>	<b>1,204</b>	<b>376</b>	<b>41</b>	<b>(184)</b>	<b>1,946</b>	<b>-</b>	<b>1,946</b>

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

(2) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

(3) The figures for the Enel X Business Line have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

# Performance by primary segment (Business Line) in the first nine months of 2022 and 2021

## First nine months of 2022<sup>(1)</sup>

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	41,104	4,841	13,296	47,067	1,720	149	108,177	-	108,177
Revenue and other income from transactions with other segments	16,705	2,059	2,640	3,720	32	1,469	26,625	(26,625)	-
<b>Total revenue</b>	<b>57,809</b>	<b>6,900</b>	<b>15,936</b>	<b>50,787</b>	<b>1,752</b>	<b>1,618</b>	<b>134,802</b>	<b>(26,625)</b>	<b>108,177</b>
Net results from commodity contracts	500	168	-	1,451	(12)	(4)	2,103	-	2,103
<b>Gross operating profit/(loss)</b>	<b>4,279</b>	<b>2,160</b>	<b>5,279</b>	<b>283</b>	<b>552</b>	<b>(132)</b>	<b>12,421</b>	<b>-</b>	<b>12,421</b>
Depreciation, amortization and impairment losses	1,221	1,130	3,069	1,112	164	204	6,900	-	6,900
<b>Operating profit/(loss)</b>	<b>3,058</b>	<b>1,030</b>	<b>2,210</b>	<b>(829)</b>	<b>388</b>	<b>(336)</b>	<b>5,521</b>	<b>-</b>	<b>5,521</b>
<b>Capital expenditure</b>	<b>499<sup>(2)</sup></b>	<b>3,973<sup>(3)</sup></b>	<b>3,866<sup>(4)</sup></b>	<b>581</b>	<b>228<sup>(5)</sup></b>	<b>162</b>	<b>9,309</b>	<b>-</b>	<b>9,309</b>

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

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

(3) Does not include €42 million regarding units classified as "held for sale".

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

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

## First nine months of 2021<sup>(1) (2) (3)</sup>

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	17,072	4,592	12,505	23,574	963	88	58,794	-	58,794
Revenue and other income from transactions with other segments	6,723	1,754	2,564	38	32	1,428	12,539	(12,539)	-
<b>Total revenue</b>	<b>23,795</b>	<b>6,346</b>	<b>15,069</b>	<b>23,612</b>	<b>995</b>	<b>1,516</b>	<b>71,333</b>	<b>(12,539)</b>	<b>58,794</b>
Net results from commodity contracts	615	(69)	-	449	-	1	996	-	996
<b>Gross operating profit/(loss)</b>	<b>1,128</b>	<b>3,001</b>	<b>5,081</b>	<b>2,270</b>	<b>233</b>	<b>(296)</b>	<b>11,417</b>	<b>-</b>	<b>11,417</b>
Depreciation, amortization and impairment losses	693	1,143	1,963	910	141	174	5,024	-	5,024
<b>Operating profit/(loss)</b>	<b>435</b>	<b>1,858</b>	<b>3,118</b>	<b>1,360</b>	<b>92</b>	<b>(470)</b>	<b>6,393</b>	<b>-</b>	<b>6,393</b>
<b>Capital expenditure</b>	<b>418</b>	<b>3,287<sup>(4)</sup></b>	<b>3,433</b>	<b>431</b>	<b>179</b>	<b>153</b>	<b>7,901</b>	<b>-</b>	<b>7,901</b>

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

(2) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

(3) The figures for the Enel X Business Line have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

(4) Does not include €87 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) (3)</sup>

Millions of euro	Thermal Generation and Trading			Enel Green Power			Enel Grids		
	First nine months			First nine months			First nine months		
	2022	2021	Change	2022	2021	Change	2022	2021	Change
<b>Italy</b>	<b>2,263</b>	<b>478</b>	<b>1,785</b>	<b>(509)</b>	<b>904</b>	<b>(1,413)</b>	<b>2,651</b>	<b>2,728</b>	<b>(77)</b>
<b>Iberia</b>	<b>1,897</b>	<b>959</b>	<b>938</b>	<b>350</b>	<b>285</b>	<b>65</b>	<b>1,073</b>	<b>1,361</b>	<b>(288)</b>
<b>Latin America</b>	<b>259</b>	<b>253</b>	<b>6</b>	<b>1,588</b>	<b>1,282</b>	<b>306</b>	<b>1,579</b>	<b>1,294</b>	<b>285</b>
<i>Argentina</i>	76	71	5	18	17	1	(65)	-	(65)
<i>Brazil</i>	83	82	1	362	246	116	981	782	199
<i>Chile</i>	(45)	(28)	(17)	418	356	62	128	105	23
<i>Colombia</i>	28	44	(16)	534	440	94	377	285	92
<i>Peru</i>	119	85	34	149	99	50	158	122	36
<i>Panama</i>	(2)	(1)	(1)	66	93	(27)	-	-	-
<i>Other countries</i>	-	-	-	41	31	10	-	-	-
<b>Europe</b>	<b>57</b>	<b>58</b>	<b>(1)</b>	<b>194</b>	<b>124</b>	<b>70</b>	<b>(19)</b>	<b>105</b>	<b>(124)</b>
<i>Romania</i>	5	(2)	7	111	53	58	(19)	105	(124)
<i>Russia</i>	52	60	(8)	16	3	13	-	-	-
<i>Other countries</i>	-	-	-	67	68	(1)	-	-	-
<b>North America</b>	<b>(1)</b>	<b>(35)</b>	<b>34</b>	<b>492</b>	<b>411</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>United States and Canada</i>	-	(34)	34	423	358	65	-	-	-
<i>Mexico</i>	(1)	(1)	-	69	53	16	-	-	-
<b>Africa, Asia and Oceania</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73</b>	<b>61</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>South Africa</i>	-	-	-	58	50	8	-	-	-
<i>India</i>	-	-	-	13	2	11	-	-	-
<i>Other countries</i>	-	-	-	2	9	(7)	-	-	-
<b>Other</b>	<b>4</b>	<b>(4)</b>	<b>8</b>	<b>(24)</b>	<b>(21)</b>	<b>(3)</b>	<b>23</b>	<b>6</b>	<b>17</b>
<b>Total</b>	<b>4,479</b>	<b>1,709</b>	<b>2,770</b>	<b>2,164</b>	<b>3,046</b>	<b>(882)</b>	<b>5,307</b>	<b>5,494</b>	<b>(187)</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, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

(3) The figures for the Enel X Business Line have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

End-user Markets			Enel X			Holding, Services and Other			Total		
First nine months			First nine months			First nine months			First nine months		
2022	2021	Change	2022	2021	Change	2022	2021	Change	2022	2021	Change
<b>70</b>	<b>1,726</b>	<b>(1,656)</b>	<b>84</b>	<b>125</b>	<b>(41)</b>	<b>57</b>	<b>58</b>	<b>(1)</b>	<b>4,616</b>	<b>6,019</b>	<b>(1,403)</b>
<b>32</b>	<b>392</b>	<b>(360)</b>	<b>56</b>	<b>39</b>	<b>17</b>	<b>9</b>	<b>11</b>	<b>(2)</b>	<b>3,417</b>	<b>3,047</b>	<b>370</b>
<b>316</b>	<b>183</b>	<b>133</b>	<b>82</b>	<b>50</b>	<b>32</b>	<b>(80)</b>	<b>(56)</b>	<b>(24)</b>	<b>3,744</b>	<b>3,006</b>	<b>738</b>
7	9	(2)	4	4	-	(2)	(3)	1	38	98	(60)
177	88	89	2	(2)	4	(19)	(13)	(6)	1,586	1,183	403
49	32	17	(1)	2	(3)	(59)	(39)	(20)	490	428	62
63	37	26	57	32	25	-	(1)	1	1,059	837	222
20	17	3	20	14	6	-	-	-	466	337	129
-	-	-	-	-	-	-	-	-	64	92	(28)
-	-	-	-	-	-	-	-	-	41	31	10
<b>(137)</b>	<b>61</b>	<b>(198)</b>	<b>24</b>	<b>10</b>	<b>14</b>	<b>(2)</b>	<b>3</b>	<b>(5)</b>	<b>117</b>	<b>361</b>	<b>(244)</b>
(137)	61	(198)	13	7	6	1	5	(4)	(26)	229	(255)
-	-	-	-	-	-	-	-	-	68	63	5
-	-	-	11	3	8	(3)	(2)	(1)	75	69	6
<b>2</b>	<b>3</b>	<b>(1)</b>	<b>24</b>	<b>25</b>	<b>(1)</b>	<b>(22)</b>	<b>(15)</b>	<b>(7)</b>	<b>495</b>	<b>389</b>	<b>106</b>
-	-	-	24	25	(1)	(22)	(15)	(7)	425	334	91
2	3	(1)	-	-	-	-	-	-	70	55	15
-	-	-	<b>(9)</b>	-	<b>(9)</b>	<b>(3)</b>	<b>(1)</b>	<b>(2)</b>	<b>61</b>	<b>60</b>	<b>1</b>
-	-	-	-	-	-	-	-	-	58	50	8
-	-	-	-	-	-	-	-	-	13	2	11
-	-	-	(9)	-	(9)	(3)	(1)	(2)	(10)	8	(18)
<b>4</b>	<b>(2)</b>	<b>6</b>	<b>293</b>	<b>(4)</b>	<b>297</b>	<b>(79)</b>	<b>(87)</b>	<b>8</b>	<b>221</b>	<b>(112)</b>	<b>333</b>
<b>287</b>	<b>2,363</b>	<b>(2,076)</b>	<b>554</b>	<b>245</b>	<b>309</b>	<b>(120)</b>	<b>(87)</b>	<b>(33)</b>	<b>12,671</b>	<b>12,770</b>	<b>(99)</b>

# Thermal Generation and Trading





# Operations

## Net electricity generation

Millions of kWh	First nine months			
	2022	2021	Change	
Coal-fired plants	14,980	9,253	5,727	61.9%
Fuel-oil and turbo-gas plants	12,602	16,747	(4,145)	-24.8%
Combined-cycle plants	42,744	37,475	5,269	14.1%
Nuclear plants	20,424	19,895	529	2.7%
<b>Total net generation</b>	<b>90,750</b>	<b>83,370</b>	<b>7,380</b>	<b>8.9%</b>
- of which Italy	22,259	15,874	6,385	40.2%
- of which Iberia	40,398	33,057	7,341	22.2%
- of which Latin America	18,037	18,574	(537)	-2.9%
- of which Europe	10,056	15,865	(5,809)	-36.6%

The increase in thermal generation is essentially attributable to:

- an increase in generation from combined-cycle plants (5,269 million kWh), mainly in Iberia (6,132 million kWh);
- an increase in generation from coal-fired plants (5,727 million kWh), mainly attributable to the need to offset the effect of poor water supply in Italy and Spain caused

by adverse weather conditions that heavily penalized hydroelectric generation in the first nine months of 2022.

This increase was partially offset by a decline in generation from combined-cycle plants in Argentina (1,172 million kWh) and a decrease in generation from coal plants in Latin America (462 million kWh).

## Net efficient generation capacity

MW	at Sept. 30, 2022			
	at Sept. 30, 2022	at Dec. 31, 2021	Change	
Coal-fired plants	6,590	6,910	(320)	-4.6%
Fuel-oil and turbo-gas plants	11,694	11,715	(21)	-0.2%
Combined-cycle plants	14,720	15,039	(319)	-2.1%
Nuclear plants	3,328	3,328	-	-
<b>Total</b>	<b>36,332</b>	<b>36,992</b>	<b>(660)</b>	<b>-1.8%</b>
- of which Italy	11,569	11,569	-	-
- of which Iberia	12,751	12,751	-	-
- of which Latin America	6,736	7,396	(660)	-8.9%
- of which Europe	5,276	5,276	-	-

Net efficient thermal generation capacity amounted to 36,332 MW at September 30, 2022, a decrease of 660 MW on the end of 2021, mainly reflecting the disposal of

CGT Fortaleza in Brazil and the decommissioning of the Bocamina II plant in Chile.

# Performance

3rd Quarter			Millions of euro				First nine months		
2022	2021	Change				2022	2021	Change	
23,191	9,941	13,250	-	Revenue		57,809	23,795	34,014	-
1,614	261	1,353	-	Gross operating profit/(loss)		4,279	1,128	3,151	-
1,757	748	1,009	-	Ordinary gross operating profit/(loss)		4,479	1,709	2,770	-
1,431	39	1,392	-	Operating profit/(loss)		3,058	435	2,623	-
1,556	522	1,034	-	Ordinary operating profit/(loss)		3,846	1,027	2,819	-
				Capital expenditure		499 <sup>(1)</sup>	418	81	19.4%

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

The following table provides a breakdown of revenue for Thermal Generation and Trading from conventional thermal and nuclear generation.

## Conventional thermal and nuclear generation

Millions of euro		First nine months		
		2022	2021	Change
<b>Revenue<sup>(1)</sup></b>				
Revenue from thermal generation		18,118	7,348	-
- of which coal-fired generation		4,909	1,324	-
Revenue from nuclear generation		1,227	1,124 <sup>(2)</sup>	9.2%
Revenue from thermal generation as a percentage of total revenue		16.7%	12.5%	
- of which: revenue from coal-fired generation as a percentage of total revenue		4.5%	2.3%	
Revenue from nuclear generation as a percentage of total revenue		1.1%	1.9%	

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

(2) The figures for the first nine months of 2021 reflect a more accurate calculation of the aggregate.

The following tables show a breakdown of performance by geographical area in the first nine months of 2022.

## Revenue

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
15,462	7,126	8,336	-	Italy	42,084	17,162	24,922	-
6,721	1,818	4,903	-	Iberia	12,970	4,422	8,548	-
1,006	767	239	31.2%	Latin America	2,462	1,786	676	37.8%
51	47	4	8.5%	- of which Argentina	133	119	14	11.8%
271	331	(60)	-18.1%	- of which Brazil	757	672	85	12.6%
552	292	260	89.0%	- of which Chile	1,220	727	493	67.8%
59	52	7	13.5%	- of which Colombia	157	134	23	17.2%
73	45	28	62.2%	- of which Peru	195	134	61	45.5%
-	-	-	-	- of which other countries	-	-	-	-
97	31	66	-	North America	183	78	105	-
51	152	(101)	-66.4%	Europe	316	393	(77)	-19.6%
24	1	23	-	- of which Romania	43	1	42	-
27	151	(124)	-82.1%	- of which Russia	273	392	(119)	-30.4%
27	30	(3)	-10.0%	Other	76	79	(3)	-3.8%
(173)	17	(190)	-	Eliminations and adjustments	(282)	(125)	(157)	-
<b>23,191</b>	<b>9,941</b>	<b>13,250</b>	<b>-</b>	<b>Total</b>	<b>57,809</b>	<b>23,795</b>	<b>34,014</b>	<b>-</b>

**Revenue** in the first nine months of 2022 amounted to €57,809 million, an increase of €34,014 million on the same period of 2021.

The change is mainly attributable to:

- Italy, mainly reflecting an increase in revenue from the sale of electricity and gas as a result of a rise in commodity prices, especially gas, an increase in thermal

generation to offset a decline in hydroelectric output due to insufficient precipitation in the period, and the optimization of sales of energy commodities;

- Spain, reflecting an increase in revenue from the sale of electricity associated with the rise in volumes sold and mainly in average prices.

## Ordinary gross operating profit/(loss)

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
708	121	587	-	Italy	2,263	478	1,785	-
945	566	379	67.0%	Iberia	1,897	959	938	97.8%
83	56	27	48.2%	Latin America	259	253	6	2.4%
29	28	1	3.6%	- of which Argentina	76	71	5	7.0%
21	37	(16)	-43.2%	- of which Brazil	83	82	1	1.2%
(18)	(49)	31	63.3%	- of which Chile	(45)	(28)	(17)	-60.7%
10	21	(11)	-52.4%	- of which Colombia	28	44	(16)	-36.4%
42	19	23	-	- of which Peru	119	85	34	40.0%
(1)	-	(1)	-	- of which other countries	(2)	(1)	(1)	-
10	(14)	24	-	North America	(1)	(35)	34	97.1%
9	15	(6)	-40.0%	Europe	57	58	(1)	-1.7%
4	(1)	5	-	- of which Romania	5	(2)	7	-
5	16	(11)	-68.8%	- of which Russia	52	60	(8)	-13.3%
2	4	(2)	-50.0%	Other	4	(4)	8	-
<b>1,757</b>	<b>748</b>	<b>1,009</b>	<b>-</b>	<b>Total</b>	<b>4,479</b>	<b>1,709</b>	<b>2,770</b>	<b>-</b>

The increase in **ordinary gross operating profit** in the first nine months of 2022 is mainly due to an increase in thermal generation connected with adverse water conditions

in the period, combined with rising average sales prices applied in Italy and Spain, and the optimal management of the hedging of commodity price risk in Italy and Spain.

The gross operating profit increased by €3,151 million compared with the first nine months of 2021. Non-recurring items in the first nine months of 2022 included:

- costs associated with the energy transition and digitalization (€62 million), mainly relating to the impairment loss recognized on fuel stocks of the Bocamina II coal plant in Chile;

- the capital loss on the sale of CGT Fortaleza in Brazil (€134 million);
  - non-recurring costs incurred in responding to the COVID-19 pandemic for workplace sanitization, personal protective equipment and donations (€4 million).
- Non-recurring items amounted to €581 million in the same period of 2021.

### Ordinary operating profit/(loss)

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
679	80	599	-	Italy	2,170	351	1,819	-
818	432	386	89.4%	Iberia	1,506	550	956	-
39	13	26	-	Latin America	124	131	(7)	-5.3%
7	9	(2)	-22.2%	- of which Argentina	11	23	(12)	-52.2%
21	32	(11)	-34.4%	- of which Brazil	78	73	5	6.8%
(28)	(58)	30	51.7%	- of which Chile	(74)	(60)	(14)	-23.3%
6	17	(11)	-64.7%	- of which Colombia	15	31	(16)	-51.6%
35	13	22	-	- of which Peru	97	65	32	49.2%
(2)	-	(2)	-	- of which other countries	(3)	(1)	(2)	-
10	(14)	24	-	North America	(1)	(35)	34	97.1%
8	8	-	-	Europe	44	36	8	22.2%
4	(1)	5	-	- of which Romania	5	(2)	7	-
4	9	(5)	-55.6%	- of which Russia	39	38	1	2.6%
2	3	(1)	-33.3%	Other	3	(6)	9	-
<b>1,556</b>	<b>522</b>	<b>1,034</b>	<b>-</b>	<b>Total</b>	<b>3,846</b>	<b>1,027</b>	<b>2,819</b>	<b>-</b>

The increase in **ordinary operating profit** essentially reflects the factors assessed in the comments on ordinary gross operating profit, taking account of a decrease of €49 million in depreciation, amortization and impairment losses compared with the corresponding period of the previous year.

**Operating profit** amounted to €3,058 million in the first nine months of 2022 (€435 million in the same period of

2021), mainly reflecting – in addition to the factors noted for gross operating profit and ordinary operating profit – impairment losses on the net assets, classified as available for sale, of Enel Russia (€505 million) and CGT Fortaleza in Brazil (€73 million), as well as impairment losses on a number of coal-fired plants in Italy (€10 million).

Non-recurring items amounted to €592 million in the same period of 2021.

### Capital expenditure

Millions of euro	First nine months			
	2022	2021	Change	
Italy	238	150	88	58.7%
Iberia	138	175	(37)	-21.1%
Latin America	108	69	39	56.5%
North America	1	3	(2)	-66.7%
Europe	14	21	(7)	-33.3%
<b>Total</b>	<b>499<sup>(1)</sup></b>	<b>418</b>	<b>81</b>	<b>19.4%</b>

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

The increase in **capital expenditure** in the first nine months of 2022 is essentially attributable to the reconversion of a

number of plants in Italy as part of energy-transition projects.



# Enel Green Power



# Operations

## Net electricity generation

Millions of kWh	First nine months			
	2022	2021	Change	
Hydroelectric	37,975	43,425	(5,450)	-12.6%
Geothermal	4,578	4,541	37	0.8%
Wind	32,394	27,103	5,291	19.5%
Solar	8,525	5,749	2,776	48.3%
Other sources	34	34	-	-
<b>Total net generation</b>	<b>83,506</b>	<b>80,852</b>	<b>2,654</b>	<b>3.3%</b>
- of which Italy	13,905	18,577	(4,672)	-25.1%
- of which Iberia	8,925	9,523	(598)	-6.3%
- of which Latin America	38,999	34,518	4,481	13.0%
- of which Europe	1,860	1,723	137	8.0%
- of which North America	17,427	14,678	2,749	18.7%
- of which Africa, Asia and Oceania	2,390	1,833	557	30.4%

In the first nine months of 2022, the increase in electricity generation was mainly attributable to greater generation from wind and solar plants in Brazil, Chile, the United States and Iberia, partly offset by the sharp contraction in hydroelectric generation in Italy and Spain due to the effects of drought.

The most significant changes in wind generation came in Brazil (+2,545 million kWh), North America (+1,965 million kWh), Iberia (+138 million kWh), India (+300 million kWh) and Romania (+84 million kWh).

Solar generation primarily increased in Iberia (+720 million kWh), the United States (+749 million kWh), Chile (+695 million kWh), Brazil (+434 million kWh) and India (+116 million kWh).

Hydroelectric generation fell sharply owing to poor water conditions in Italy (-4,636 million kWh), Iberia (-1,455 million kWh), Argentina (-481 million kWh) and Panama (-530 million kWh), partly offset by an increase in output in Chile (+908 million kWh) and Colombia (+609 million kWh).

## Net efficient generation capacity

MW	at Sept. 30, 2022			
	at Sept. 30, 2022	at Dec. 31, 2021	Change	
Hydroelectric	28,355	27,847	508	1.8%
Geothermal	917	915	2	0.2%
Wind	14,635	14,903	(268)	-1.8%
Solar	7,650	6,395	1,255	19.6%
Other sources	6	6	-	-
<b>Total net efficient generation capacity</b>	<b>51,563</b>	<b>50,066</b>	<b>1,497</b>	<b>3.0%</b>
- of which Italy	14,625	14,040	585	4.2%
- of which Iberia	8,545	8,390	155	1.8%
- of which Latin America	17,286	16,506	780	4.7%
- of which Europe	1,280	1,248	32	2.6%
- of which North America	8,201	7,941	260	3.3%
- of which Africa, Asia and Oceania	1,626	1,941	(315)	-16.2%

The increase in net efficient generation capacity is mainly due to the construction of new solar plants (+1.3 GW), mainly in Chile, India and the United States, new wind plants (+0.5 GW), largely in Brazil, and the acquisition of new hydro plants in Italy (+0.5 GW).

In addition, hydroelectric plants were decommissioned in Chile (-0.04 GW) and a number of renewables companies in South Africa were sold, reducing wind capacity (-0.74 GW).

# Performance

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
2,446	2,405	41	1.7%	Revenue	6,900	6,346	554	8.7%
828	823	5	0.6%	Gross operating profit/(loss)	2,160	3,001	(841)	-28.0%
829	848	(19)	-2.2%	Ordinary gross operating profit/(loss)	2,164	3,046	(882)	-29.0%
449	470	(21)	-4.5%	Operating profit/(loss)	1,030	1,858	(828)	-44.6%
450	495	(45)	-9.1%	Ordinary operating profit/(loss)	1,042	2,068	(1,026)	-49.6%
				Capital expenditure	3,973 <sup>(1)</sup>	3,287 <sup>(2)</sup>	686	20.9%

(1) Does not include €42 million regarding units classified as "held for sale".

(2) Does not include €87 million regarding units classified as "held for sale".

The following tables show a breakdown of performance by geographical area in the first nine months of 2022.

## Revenue

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
655	613	42	6.9%	Italy	1,623	1,786	(163)	-9.1%
113	118	(5)	-4.2%	Iberia	615	535	80	15.0%
1,129	1,321	(192)	-14.5%	Latin America	3,104	2,929	175	6.0%
10	9	1	11.1%	- of which Argentina	29	26	3	11.5%
199	627	(428)	-68.3%	- of which Brazil	542	1,062	(520)	-49.0%
586	348	238	68.4%	- of which Chile	1,530	932	598	64.2%
212	234	(22)	-9.4%	- of which Colombia	658	640	18	2.8%
51	38	13	34.2%	- of which Peru	143	99	44	44.4%
43	36	7	19.4%	- of which Panama	127	111	16	14.4%
28	29	(1)	-3.4%	- of which other countries	75	59	16	27.1%
358	220	138	62.7%	North America	1,021	744	277	37.2%
282	169	113	66.9%	- of which United States and Canada	807	621	186	30.0%
76	51	25	49.0%	- of which Mexico	214	123	91	74.0%
145	85	60	70.6%	Europe	397	234	163	69.7%
108	46	62	-	- of which Romania	286	138	148	-
2	5	(3)	-60.0%	- of which Russia	19	7	12	-
34	34	-	-	- of which Greece	91	89	2	2.2%
1	-	1	-	- of which other countries	1	-	1	-
44	42	2	4.8%	Africa, Asia and Oceania	149	110	39	35.5%
61	58	3	5.2%	Other	175	173	2	1.2%
(59)	(52)	(7)	-13.5%	Eliminations and adjustments	(184)	(165)	(19)	-11.5%
<b>2,446</b>	<b>2,405</b>	<b>41</b>	<b>1.7%</b>	<b>Total</b>	<b>6,900</b>	<b>6,346</b>	<b>554</b>	<b>8.7%</b>

The increase in **revenue** is mainly attributable to an increase in quantities sold at increasing average prices, mainly in Chile and North America, partially offset by a decline in sales in Italy due to poor water conditions, and in

Brazil as a result of a decline in sales prices, which in the first nine months of 2021 had increased to offset the decline in hydroelectric generation.



## Ordinary gross operating profit/(loss)

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
(142)	243	(385)	-	Italy	(509)	904	(1,413)	-
89	29	60	-	Iberia	350	285	65	22.8%
636	422	214	50.7%	Latin America	1,588	1,282	306	23.9%
6	6	-	-	- of which Argentina	18	17	1	5.9%
128	104	24	23.1%	- of which Brazil	362	246	116	47.2%
216	73	143	-	- of which Chile	418	356	62	17.4%
187	155	32	20.6%	- of which Colombia	534	440	94	21.4%
52	37	15	40.5%	- of which Peru	149	99	50	50.5%
28	29	(1)	-3.4%	- of which Panama	66	93	(27)	-29.0%
19	18	1	5.6%	- of which other countries	41	31	10	32.3%
178	93	85	91.4%	North America	492	411	81	19.7%
151	71	80	-	- of which United States and Canada	423	358	65	18.2%
27	22	5	22.7%	- of which Mexico	69	53	16	30.2%
55	47	8	17.0%	Europe	194	124	70	56.5%
28	16	12	75.0%	- of which Romania	111	53	58	-
2	4	(2)	-50.0%	- of which Russia	16	3	13	-
26	28	(2)	-7.1%	- of which Greece	68	71	(3)	-4.2%
(1)	(1)	-	-	- of which other countries	(1)	(3)	2	66.7%
18	21	(3)	-14.3%	Africa, Asia and Oceania	73	61	12	19.7%
(5)	(7)	2	28.6%	Other	(24)	(21)	(3)	-14.3%
<b>829</b>	<b>848</b>	<b>(19)</b>	<b>-2.2%</b>	<b>Total</b>	<b>2,164</b>	<b>3,046</b>	<b>(882)</b>	<b>-29.0%</b>

The decrease in **ordinary gross operating profit** in the first nine months of 2022 is essentially attributable to the effects of poor water conditions in Italy and Spain in particular, which caused a sharp contraction in hydroelectric output and higher provisioning costs incurred on the spot electricity market to meet contracted energy demand. These effects were partially offset in Chile, Spain, Brazil and North America by an increase in solar and wind generation following the entry into service of new plants.

In addition, in Brazil the impact of the reduction in prices for the purchase of energy commodities more than offset the change in revenue noted earlier.

**Gross operating profit** amounted to €2,160 million (€3,001 million in the first nine months of 2021), reflecting costs incurred in responding to the COVID-19 pandemic for workplace sanitization, personal protective equipment and donations (€4 million).

## Ordinary operating profit/(loss)

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
(219)	173	(392)	-	Italy	(742)	698	(1,440)	-
24	(36)	60	-	Iberia	153	114	39	34.2%
527	331	196	59.2%	Latin America	1,284	1,021	263	25.8%
4	5	(1)	-20.0%	- of which Argentina	13	14	(1)	-7.1%
96	78	18	23.1%	- of which Brazil	275	185	90	48.6%
174	34	140	-	- of which Chile	295	241	54	22.4%
174	144	30	20.8%	- of which Colombia	496	404	92	22.8%
42	30	12	40.0%	- of which Peru	125	79	46	58.2%
23	27	(4)	-14.8%	- of which Panama	53	83	(30)	-36.1%
14	13	1	7.7%	- of which other countries	27	15	12	80.0%
84	3	81	-	North America	220	173	47	27.2%
63	(9)	72	-	- of which United States and Canada	172	144	28	19.4%
21	12	9	75.0%	- of which Mexico	48	29	19	65.5%
41	31	10	32.3%	Europe	151	76	75	98.7%
23	11	12	-	- of which Romania	95	37	58	-
2	-	2	-	- of which Russia	14	(5)	19	-
17	19	(2)	-10.5%	- of which Greece	43	45	(2)	-4.4%
(1)	1	(2)	-	- of which other countries	(1)	(1)	-	-
5	5	-	-	Africa, Asia and Oceania	19	18	1	5.6%
(12)	(12)	-	-	Other	(43)	(32)	(11)	-34.4%
<b>450</b>	<b>495</b>	<b>(45)</b>	<b>-9.1%</b>	<b>Total</b>	<b>1,042</b>	<b>2,068</b>	<b>(1,026)</b>	<b>-49.6%</b>

**Ordinary operating profit** reflected the factors discussed for ordinary gross operating profit, decreasing further, partly in reflection of the increase of €144 million in depreciation, amortization and impairment losses due to the entry into service of new plants during the period.

**Operating profit** amounted to €1,030 million, a reduction of €828 million on the nine months of 2021, essentially reflecting the factors discussed for ordinary operating profit.

## Capital expenditure

Millions of euro	First nine months			
	2022	2021	Change	
Italy	516	232	284	-
Iberia	492	345	147	42.6%
Latin America	1,168	1,107	61	5.5%
North America	1,665	1,298	367	28.3%
Europe	32	166	(134)	-80.7%
Africa, Asia and Oceania	88	127	(39)	-30.7%
Other	12	12	-	-
<b>Total</b>	<b>3,973<sup>(1)</sup></b>	<b>3,287<sup>(2)</sup></b>	<b>686</b>	<b>20.9%</b>

(1) Does not include €42 million regarding units classified as "held for sale".

(2) Does not include €87 million regarding units classified as "held for sale".

**Capital expenditure** in the first nine months of 2022 increased by €686 million compared with the same period of 2021. More specifically, the change essentially reflected:

- an increase of €367 million in capital expenditure in North America, primarily in photovoltaic plants and storage facilities in the United States;
- an increase of €284 million in capital expenditure in Italy, mainly in solar plants and battery storage;
- an increase of €147 million in capital expenditure in Iberia, mainly in solar plants;
- an increase of €61 million in capital expenditure in Latin America, mainly in solar plants in Brazil, Chile and Colombia, and wind plants in Peru and Brazil;
- a decrease in capital expenditure in wind plants in Europe;
- a decrease of €39 million in capital expenditure in Africa, Asia and Oceania, mainly due to a decrease in wind plant investment in India, partly offset by an increase in capital expenditure in solar facilities in that country.



# Enel Grids



# Operations

## Electricity transmission

Millions of kWh	First nine months			
	2022	2021	Change	
Electricity transported on Enel's distribution grid <sup>(1)</sup>	387,084	382,570	4,514	1.2%
- of which Italy <sup>(1)</sup>	168,960	170,008	(1,048)	-0.6%
- of which Iberia <sup>(1)</sup>	101,959	98,793	3,166	3.2%
- of which Latin America	104,362	101,856	2,506	2.5%
- of which Europe	11,803	11,913	(110)	-0.9%
End users with active smart meters (no.)	45,380,143	44,843,287	536,856	1.2%

(1) The figures for the first nine months of 2021 reflect a more accurate calculation of the aggregate.

In the first nine months of 2022, electricity transported on the grid increased (by 1.2%) mainly due to developments in:

- Iberia (+3.2%), where the increase was essentially due to the rise in electricity transported by Edistribución Redes

Digitales SL in Spain, reflecting an increase in demand;

- Latin America (+2.5%), reflecting the increase in volumes transported, mainly in Chile, Argentina and Colombia.

## Average frequency of interruptions per customer

	at Sept. 30, 2022	at Dec. 31, 2021	Change	
SAIFI (average no.)				
Italy	1.8	1.8	-	-
Iberia	1.4	1.4	-	-
Argentina	4.9	4.9	-	-
Brazil	4.6	4.8	(0.2)	-4.2%
Chile	1.6	1.5	0.1	6.7%
Colombia	4.2	5.2	(1.0)	-19.2%
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 Sept. 30, 2022	at Dec. 31, 2021	Change	
SAIDI (average minutes)				
Italy	46.5	42.9	3.6	8.4%
Iberia	66.5	70.0	(3.5)	-5.0%
Argentina	844.0	797.3	46.7	5.9%
Brazil	580.7	607.9	(27.2)	-4.5%
Chile	161.9	152.3	9.6	6.3%
Colombia	337.4	401.4	(64.0)	-15.9%
Peru	425.9	413.9	12.0	2.9%
Romania	93.5	109.7	(16.2)	-14.8%

As shown in the tables above, service quality has improved in most geographical areas, although the SAIDI in

Argentina remains high due, in particular, to failures in the high-voltage systems not managed by the Group.

## Grid losses

	at Sept. 30, 2022	at Dec. 31, 2021	Change	
Grid losses (average %)				
Italy	4.7	4.7	-	-
Iberia	7.0	7.1	(0.1)	-1.4%
Argentina	17.5	18.0	(0.5)	-2.8%
Brazil	13.5	13.1	0.4	3.1%
Chile	5.1	5.2	(0.1)	-1.9%
Colombia	7.5	7.5	-	-
Peru	8.6	8.5	0.1	1.2%
Romania	8.5	8.7	(0.2)	-2.3%

## Performance

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
5,492	5,533	(41)	-0.7%	Revenue <sup>(1)</sup>	15,936	15,069	867	5.8%
1,647	1,868	(221)	-11.8%	Gross operating profit/(loss) <sup>(1)</sup>	5,279	5,081	198	3.9%
1,657	1,930	(273)	-14.1%	Ordinary gross operating profit/(loss) <sup>(1)</sup>	5,307	5,494	(187)	-3.4%
70	1,204	(1,134)	-94.2%	Operating profit/(loss) <sup>(1)</sup>	2,210	3,118	(908)	-29.1%
907	1,272	(365)	-28.7%	Ordinary operating profit/(loss) <sup>(1)</sup>	3,080	3,543	(463)	-13.1%
				Capital expenditure	3,866 <sup>(2)</sup>	3,433	433	12.6%

- (1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.
- (2) Does not include €2 million regarding units classified as "held for sale".

The following tables show a breakdown of performance by geographical area in the first nine months of 2022.

## Revenue

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
1,772	1,803	(31)	-1.7%	Italy	5,203	5,354	(151)	-2.8%
414	612	(198)	-32.4%	Iberia	1,591	1,845	(254)	-13.8%
3,139	3,004	135	4.5%	Latin America	8,698	7,544	1,154	15.3%
280	195	85	43.6%	- of which Argentina	674	483	191	39.5%
2,006	2,173	(167)	-7.7%	- of which Brazil <sup>(1)</sup>	5,686	5,172	514	9.9%
428	320	108	33.8%	- of which Chile	1,122	927	195	21.0%
201	156	45	28.8%	- of which Colombia	576	462	114	24.7%
224	160	64	40.0%	- of which Peru	640	500	140	28.0%
141	104	37	35.6%	Europe	378	300	78	26.0%
172	117	55	47.0%	Other	433	311	122	39.2%
(146)	(107)	(39)	-36.4%	Eliminations and adjustments	(367)	(285)	(82)	-28.8%
<b>5,492</b>	<b>5,533</b>	<b>(41)</b>	<b>-0.7%</b>	<b>Total<sup>(1)</sup></b>	<b>15,936</b>	<b>15,069</b>	<b>867</b>	<b>5.8%</b>

- (1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

The increase in **revenue** is mainly attributable to rate adjustments connected with the increase in inflation and the positive effect of exchange rate developments in Latin America, in particular Brazil. These effects were partial-

ly offset by certain adverse rate developments in Italy and Spain. More specifically, in Spain, ministerial decree no. TED/749/2022 of July 27, 2022 retroactively amended rates for 2017, 2018 and 2019 (–€180 million).

### Ordinary gross operating profit/(loss)

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
899	923	(24)	-2.6%	Italy	2,651	2,728	(77)	-2.8%
235	452	(217)	-48.0%	Iberia	1,073	1,361	(288)	-21.2%
486	498	(12)	-2.4%	Latin America	1,579	1,294	285	22.0%
(27)	4	(31)	-	- of which Argentina	(65)	-	(65)	-
298	318	(20)	-6.3%	- of which Brazil <sup>(1)</sup>	981	782	199	25.4%
31	40	(9)	-22.5%	- of which Chile	128	105	23	21.9%
129	96	33	34.4%	- of which Colombia	377	285	92	32.3%
55	40	15	37.5%	- of which Peru	158	122	36	29.5%
31	45	(14)	-31.1%	Europe	(19)	105	(124)	-
6	12	(6)	-50.0%	Other	23	6	17	-
<b>1,657</b>	<b>1,930</b>	<b>(273)</b>	<b>-14.1%</b>	<b>Total<sup>(1)</sup></b>	<b>5,307</b>	<b>5,494</b>	<b>(187)</b>	<b>-3.4%</b>

(1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

The decrease in **ordinary gross operating profit** essentially reflects the decision not to index and revise rates in order to mitigate the impact of the rise in commodity prices on customers, especially in Spain, Italy and Romania. This factor was only partially offset by the increase registered in Latin America connected with the rate adjustments and exchange rate fluctuations noted for revenue above.

**Gross operating profit** amounted to €5,279 million, an increase of €198 million on the year-earlier period (€5,081 million in the first nine months of 2021). More specifically, the overall adverse factors discussed with regard to ordinary gross operating profit were more than offset by a decrease in provisions in the first nine months of 2022 for restructuring plans for the energy transition and digitalization compared with the same period of 2021 (€17 million in 2022, as against €390 million in 2021).

### Ordinary operating profit/(loss)

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
580	635	(55)	-8.7%	Italy	1,666	1,866	(200)	-10.7%
28	267	(239)	-89.5%	Iberia	478	805	(327)	-40.6%
285	340	(55)	-16.2%	Latin America	999	828	171	20.7%
(39)	(2)	(37)	-	- of which Argentina	(93)	(17)	(76)	-
165	215	(50)	-23.3%	- of which Brazil <sup>(1)</sup>	599	478	121	25.3%
18	28	(10)	-35.7%	- of which Chile	83	69	14	20.3%
105	74	31	41.9%	- of which Colombia	304	220	84	38.2%
36	25	11	44.0%	- of which Peru	106	78	28	35.9%
9	20	(11)	-55.0%	Europe	(83)	39	(122)	-
5	10	(5)	-50.0%	Other	20	5	15	-
<b>907</b>	<b>1,272</b>	<b>(365)</b>	<b>-28.7%</b>	<b>Total<sup>(1)</sup></b>	<b>3,080</b>	<b>3,543</b>	<b>(463)</b>	<b>-13.1%</b>

(1) For comparative purposes only, €139 million in the first nine months 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 the condensed consolidated quarterly financial statements at September 30, 2022.

The decrease in **ordinary operating profit** essentially reflects the factors noted for ordinary gross operating profit, as well as an increase in depreciation and amortization connected with new investment.

**Operating profit** amounted to €2,210 million (€3,118 million in the first nine months of 2021). In addition to the factors noted for gross operating profit and ordinary operating profit, this reflected the recognition of impairment losses on the net assets classified as held for sale of Celg-D in Brazil (€824 million).

### Capital expenditure

Millions of euro	First nine months			
	2022	2021	Change	
Italy	1,791	1,671	120	7.2%
Iberia	563	537	26	4.8%
Latin America	1,342	1,095	247	22.6%
Europe	85	125	(40)	-32.0%
Other	85	5	80	-
<b>Total</b>	<b>3,866<sup>(1)</sup></b>	<b>3,433</b>	<b>433</b>	<b>12.6%</b>

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

Capital expenditure increased by €433 million on the same period of the previous year.

This increase is mainly attributable to:

- Latin America, in particular Brazil, due to the increase in

investments in distribution lines and substations;

- Italy, to increase in new customer connections and improve service quality (with the e-grid and DSO 4.0 projects).





# End-user Markets



# Operations

## Electricity sales

Millions of kWh	First nine months			
	2022	2021	Change	
Free market	149,443	130,973	18,470	14.1%
Regulated market	92,903	101,602	(8,699)	-8.6%
<b>Total</b>	<b>242,346</b>	<b>232,575</b>	<b>9,771</b>	<b>4.2%</b>
- of which Italy	74,300	70,096	4,204	6.0%
- of which Iberia	60,105	60,124	(19)	-
- of which Latin America	100,462	95,571	4,891	5.1%
- of which Europe	7,479	6,784	695	10.2%

The increase in electricity sold in the first nine months of 2022 reflects the greater quantities sold on the free market, mainly in the business-to-business (B2B) customer

segment. On the regulated market, the decrease is mainly attributable to a decline in the number of customers compared with the corresponding period of 2021.

## Natural gas sales

Millions of m <sup>3</sup>	First nine months			
	2022	2021	Change	
Business to consumer <sup>(1)</sup>	2,718	2,355	363	15.4%
Business to business <sup>(1)</sup>	4,808	4,191	617	14.7%
<b>Total<sup>(1)</sup></b>	<b>7,526</b>	<b>6,546</b>	<b>980</b>	<b>15.0%</b>
- of which Italy	3,281	2,836	445	15.7%
- of which Iberia <sup>(1)</sup>	3,702	3,489	213	6.1%
- of which Latin America	356	121	235	-
- of which Europe	187	100	87	87.0%

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

The increase in volumes of gas sold in the first nine months of 2022 mainly reflects an increase in the num-

ber of customers compared with the same period of 2021.

# Performance

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
20,518	8,230	12,288	-	Revenue	50,787	23,612	27,175	-
33	699	(666)	-95.3%	Gross operating profit/(loss)	283	2,270	(1,987)	-87.5%
34	718	(684)	-95.3%	Ordinary gross operating profit/(loss)	287	2,363	(2,076)	-87.9%
(313)	376	(689)	-	Operating profit/(loss)	(829)	1,360	(2,189)	-
(309)	395	(704)	-	Ordinary operating profit/(loss)	(819)	1,453	(2,272)	-
				Capital expenditure	581	431	150	34.8%

The following tables show a breakdown of performance by geographical area in the first nine months of 2022.

## Revenue

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
9,926	4,331	5,595	-	Italy	25,337	12,351	12,986	-
9,321	3,215	6,106	-	Iberia	22,182	9,358	12,824	-
421	361	60	16.6%	Latin America	1,263	998	265	26.6%
(1)	-	(1)	-	- of which Argentina	(1)	-	(1)	-
129	97	32	33.0%	- of which Brazil	370	232	138	59.5%
26	23	3	13.0%	- of which Chile	83	68	15	22.1%
199	195	4	2.1%	- of which Colombia	621	555	66	11.9%
68	46	22	47.8%	- of which Peru	190	143	47	32.9%
3	(1)	4	-	North America	4	4	-	-
844	324	520	-	Europe	1,989	901	1,088	-
5	-	5	-	Other	13	-	13	-
(2)	-	(2)	-	Eliminations and adjustments	(1)	-	(1)	-
<b>20,518</b>	<b>8,230</b>	<b>12,288</b>	<b>-</b>	<b>Total</b>	<b>50,787</b>	<b>23,612</b>	<b>27,175</b>	<b>-</b>

Revenue in the first nine months of 2022 increased by €27,175 million, due mainly to greater revenue from electricity sales (€18,956 million) and gas sales (€7,168 million)

as a result of an increase in quantities sold and rising average prices, above all in Italy, Spain and Romania.

## Ordinary gross operating profit/(loss)

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
(243)	492	(735)	-	Italy	70	1,726	(1,656)	-95.9%
206	142	64	45.1%	Iberia	32	392	(360)	-91.8%
90	72	18	25.0%	Latin America	316	183	133	72.7%
1	6	(5)	-83.3%	- of which Argentina	7	9	(2)	-22.2%
53	37	16	43.2%	- of which Brazil	177	88	89	-
14	12	2	16.7%	- of which Chile	49	32	17	53.1%
14	12	2	16.7%	- of which Colombia	63	37	26	70.3%
8	5	3	60.0%	- of which Peru	20	17	3	176%
1	(2)	3	-	North America	2	3	(1)	-33.3%
(22)	16	(38)	-	Europe	(137)	61	(198)	-
2	(2)	4	-	Other	4	(2)	6	-
<b>34</b>	<b>718</b>	<b>(684)</b>	<b>-95.3%</b>	<b>Total</b>	<b>287</b>	<b>2,363</b>	<b>(2,076)</b>	<b>-87.9%</b>

**Ordinary gross operating profit** for the first nine months of 2022 essentially declined due to the decrease in profit on the free market in Italy, Spain and Romania. In particular, the increase in quantities sold on the free market required the provisioning of electricity on spot markets in an environment of rising average prices, bearing in the mind the decrease in the contribution of hydroelectric power to the energy mix in Italy and Spain.

**Gross operating profit** amounted to €283 million (€2,270 million in the first nine months of 2021). The decline of €1,987 million reflects the factors discussed for ordinary gross operating profit. Non-recurring items decreased between the two periods being compared as a result of a decline in charges for restructuring plans for the energy transition and digitalization (€2 million in the first nine months of 2022, compared with €92 million in the first nine months of 2021).

### Ordinary operating profit/(loss)

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
(464)	334	(798)	-	Italy	(623)	1,183	(1,806)	-
147	98	49	50.0%	Iberia	(138)	254	(392)	-
29	(38)	67	-	Latin America	88	(29)	117	-
(6)	11	(17)	-	- of which Argentina	(9)	6	(15)	-
14	(69)	83	-	- of which Brazil	10	(90)	100	-
9	7	2	28.6%	- of which Chile	31	15	16	-
6	9	(3)	-33.3%	- of which Colombia	43	27	16	59.3%
6	4	2	50.0%	- of which Peru	13	13	-	-
1	(1)	2	-	North America	1	3	(2)	-66.7%
(24)	4	(28)	-	Europe	(151)	44	(195)	-
2	(2)	4	-	Other	4	(2)	6	-
<b>(309)</b>	<b>395</b>	<b>(704)</b>	<b>-</b>	<b>Total</b>	<b>(819)</b>	<b>1,453</b>	<b>(2,272)</b>	<b>-</b>

The **ordinary operating loss**, including depreciation, amortization and impairment losses in the amount of €1,106 million (€910 in the first nine months of 2021), reflects the impact of the factors noted earlier with regard to ordinary gross operating profit and the rise in writedowns of trade receivables (€113 million), essentially connected with developments in revenue in the two periods under review.

The **operating loss** for the first nine months of 2022 came to €829 million (an operating profit of €1,360 million in the first nine months of 2021), reflecting not only the factors noted in the comments on the ordinary operating result and gross operating profit but also the writedown of the Funac receivable of Celg-D in Brazil (€6 million).

### Capital expenditure

Millions of euro		First nine months			
		2022	2021	Change	
Italy		382	300	82	27.3%
Iberia		191	120	71	59.2%
Europe		8	11	(3)	-27.3%
<b>Total</b>		<b>581</b>	<b>431</b>	<b>150</b>	<b>34.8%</b>

The increase in **capital expenditure** is mainly attributable to the improved performance of commercial activities, which led to the capitalization of charges associated with the increase in customer activations on the free market in Italy and in Spain.

# Enel X



# Operations

	First nine months			Change
	2022	2021		
Demand response capacity (MW)	8,226	7,689	537	7.0%
Lighting points (thousands)	2,818	2,801	17	0.6%
Storage (MW)	751	375 <sup>(1)</sup>	376	-

(1) At December 31, 2021.

During the first nine months of 2022 the Group further increased demand response activities, mainly in North America (+428 MW) and Japan (+238 MW).

The increase in storage is essentially due to the installation of new batteries at renewable plants in North America.

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

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
543	382	161	42.1%	Revenue	1,752	995	757	76.1%
147	99	48	48.5%	Gross operating profit/(loss)	552	233	319	-
148	104	44	42.3%	Ordinary gross operating profit/(loss)	554	245	309	-
92	41	51	-	Operating profit/(loss)	388	92	296	-
93	46	47	-	Ordinary operating profit/(loss)	390	104	286	-
				Capital expenditure	228 <sup>(2)</sup>	179	49	27.4%

(1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

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

The following tables show a breakdown of performance by geographical area in the first nine months of 2022.

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

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
209	151	58	38.4%	Italy	548	360	188	52.2%
72	61	11	18.0%	Iberia	227	183	44	24.0%
64	55	9	16.4%	Latin America	275	151	124	82.1%
6	2	4	-	- of which Argentina	14	8	6	75.0%
8	3	5	-	- of which Brazil	21	11	10	90.9%
12	13	(1)	-7.7%	- of which Chile	35	35	-	-
22	24	(2)	-8.3%	- of which Colombia	162	61	101	-
16	12	4	33.3%	- of which Peru	43	35	8	22.9%
68	70	(2)	-2.9%	North America	227	177	50	28.2%
26	20	6	30.0%	Europe	79	56	23	41.1%
26	21	5	23.8%	Africa, Asia and Oceania	56	47	9	19.1%
107	29	78	-	Other	434	99	335	-
(29)	(25)	(4)	-16.0%	Eliminations and adjustments	(94)	(78)	(16)	-20.5%
<b>543</b>	<b>382</b>	<b>161</b>	<b>42.1%</b>	<b>Total</b>	<b>1,752</b>	<b>995</b>	<b>757</b>	<b>76.1%</b>

(1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

**Revenue** in the first nine months of 2022 increased by €757 million on the same period of 2021, including the recognition of the gain on the sale by Enel X International of 1.1% of the interest in Ufnet (€220 million) and the sale by Enel X Srl of a number of assets to Mooney (€67 million). Revenue also increased:

- in Italy, thanks to the increase in revenue connected with the energy and seismic upgrading initiatives “Vivi

Meglio Unifamiliare” and the Demand Response and e-City businesses;

- in Spain, mainly due to the increase in revenue from the e-Home business;
- in Colombia, thanks to the increase in revenue from activities associated with the e-Bus project;
- in North America, as a result of the expansion of Demand Response activities.

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

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
31	65	(34)	-52.3%	Italy	84	125	(41)	-32.8%
15	12	3	25.0%	Iberia	56	39	17	43.6%
24	20	4	20.0%	Latin America	82	50	32	64.0%
1	1	-	-	- of which Argentina	4	4	-	-
3	(1)	4	-	- of which Brazil	2	(2)	4	-
1	4	(3)	-75.0%	- of which Chile	(1)	2	(3)	-
11	11	-	-	- of which Colombia	57	32	25	78.1%
8	5	3	60.0%	- of which Peru	20	14	6	42.9%
2	9	(7)	-77.8%	North America	24	25	(1)	-4.0%
6	3	3	-	Europe	24	10	14	-
2	1	1	-	Africa, Asia and Oceania	(9)	-	(9)	-
68	(6)	74	-	Other	293	(4)	297	-
<b>148</b>	<b>104</b>	<b>44</b>	<b>42.3%</b>	<b>Total</b>	<b>554</b>	<b>245</b>	<b>309</b>	<b>-</b>

(1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under “Holding, Services and Other”.

**Ordinary gross operating profit** increased by €309 million in the first nine months of 2022, essentially due to the gain on the sale of the stake in Ufnet and the sale of certain equity investments to Mooney.

**Gross operating profit** amounted to €552 million in the first nine months of 2022, an increase of €319 million, broadly in line with ordinary gross operating profit.

### Ordinary operating profit/(loss)<sup>(1)</sup>

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
11	37	(26)	-70.3%	Italy	31	74	(43)	-58.1%
3	-	3	-	Iberia	19	9	10	-
20	16	4	25.0%	Latin America	66	37	29	78.4%
1	2	(1)	-50.0%	- of which Argentina	4	4	-	-
3	(1)	4	-	- of which Brazil	2	(3)	5	-
1	4	(3)	-75.0%	- of which Chile	(2)	2	(4)	-
9	7	2	28.6%	- of which Colombia	48	23	25	-
6	3	3	-	- of which Peru	14	10	4	40.0%
(9)	(1)	(8)	-	North America	(12)	(2)	(10)	-
5	2	3	-	Europe	21	7	14	-
1	1	-	-	Africa, Asia and Oceania	(12)	(2)	(10)	-
62	(9)	71	-	Other	277	(19)	296	-
<b>93</b>	<b>46</b>	<b>47</b>	<b>-</b>	<b>Total</b>	<b>390</b>	<b>104</b>	<b>286</b>	<b>-</b>

(1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under “Holding, Services and Other”.



**Ordinary operating profit** includes depreciation, amortization and impairment losses in the amount of €164 million (€141 million in the first nine months of 2021) and reflects the factors noted in the comments on ordinary gross operating profit for the period, the increase in depreciation and amortization in North America (partly due to the entry

of the new company Enel X Canada Ltd) and the increase in writedowns of trade receivables, primarily in Spain.

**Operating profit** for the first nine months of 2022 amounted to €388 million (€92 million in the same period of 2021), essentially in line with developments in ordinary operating profit.

### Capital expenditure<sup>(1)</sup>

Millions of euro	First nine months			Change	
	2022	2021			
Italy	64	47	17	36.2%	
Iberia	32	26	6	23.1%	
Latin America	41	26	15	57.7%	
North America	42	31	11	35.5%	
Europe	4	2	2	-	
Africa, Asia and Oceania	7	4	3	75.0%	
Other	38	43	(5)	-11.6%	
<b>Total</b>	<b>228<sup>(2)</sup></b>	<b>179</b>	<b>49</b>	<b>27.4%</b>	

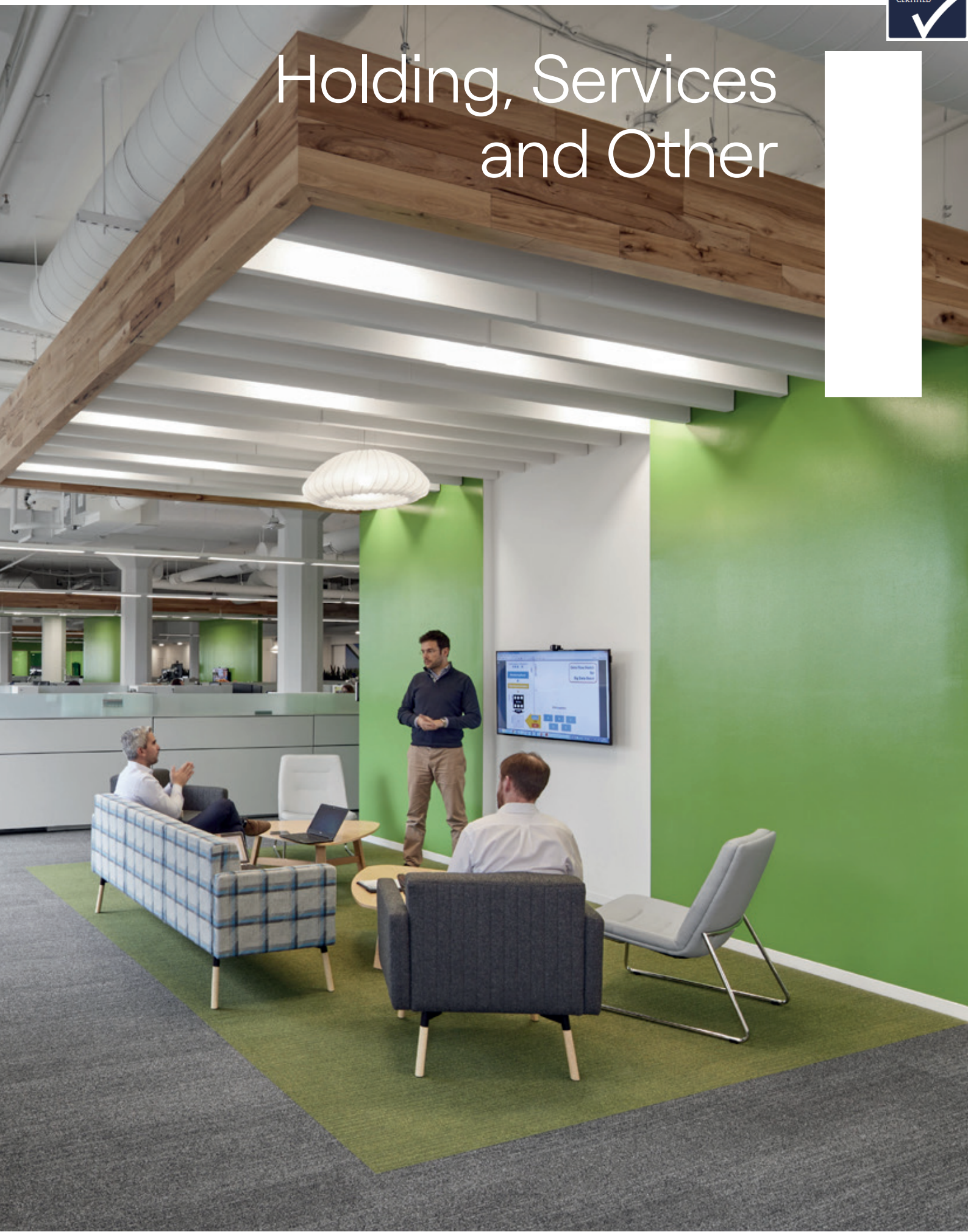
(1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

(2) Does not include €2 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, reflecting an increase in sales volumes, and in Latin America, where the most robust growth was recorded in Peru (€8 million) in the public lighting business, Colombia (€3 million), in connection with the launch of new photovoltaic projects in the Distributed Energy business, and Brazil (€4 million) in the

Smart Lighting and e-Home businesses, the latter reflecting an increase in sales volumes compared with the first nine months of 2021. In North America, capital expenditure increased in the Demand Response and Battery Energy Storage businesses. Smaller increases were recorded in the Battery Energy Storage business in Australia (€4 million) and the e-Home business in Romania (€1 million).

# Holding, Services and Other



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

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
569	537	32	6.0%	Revenue <sup>(2)</sup>	1,618	1,516	102	6.7%
(53)	(128)	75	58.6%	Gross operating profit/(loss)	(132)	(296)	164	55.4%
(52)	(14)	(38)	-	Ordinary gross operating profit/(loss)	(120)	(87)	(33)	-37.9%
(110)	(184)	74	40.2%	Operating profit/(loss)	(336)	(470)	134	28.5%
(109)	(70)	(39)	-55.7%	Ordinary operating profit/(loss)	(324)	(261)	(63)	-24.1%
				Capital expenditure	162	153	9	5.9%

- (1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line from the Enel X Business Line.
- (2) In order to improve presentation, the Holding segment includes internal eliminations that were previously reported under intersegment eliminations and adjustments in the amount of €84 million in the first nine months of 2021 and €30 million in the 3rd Quarter of 2021.

The tables below show a breakdown of performance by geographical area in the first nine months of 2022.

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

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
199	192	7	3.6%	Italy	603	566	37	6.5%
130	127	3	2.4%	Iberia	354	332	22	6.6%
26	3	23	-	Latin America	32	16	16	-
5	7	(2)	-28.6%	North America	35	29	6	20.7%
7	6	1	16.7%	Europe	19	19	-	-
267	257	10	3.9%	Other <sup>(2)</sup>	749	717	32	4.5%
(65)	(55)	(10)	-18.2%	Eliminations and adjustments	(174)	(163)	(11)	-6.7%
<b>569</b>	<b>537</b>	<b>32</b>	<b>6.0%</b>	<b>Total</b>	<b>1,618</b>	<b>1,516</b>	<b>102</b>	<b>6.7%</b>

- (1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line from the Enel X Business Line.
- (2) In order to improve presentation, the Holding segment includes internal eliminations that were previously reported under intersegment eliminations and adjustments in the amount of €84 million in the first nine months of 2021 and €30 million in the 3rd Quarter of 2021.

The increase in **revenue** in the first nine months of 2022 mainly regard services provided to other Group companies, largely in Italy and Iberia.

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

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
1	22	(21)	-95.5%	Italy	57	58	(1)	-1.7%
3	11	(8)	-72.7%	Iberia	9	11	(2)	-18.2%
(35)	(20)	(15)	-75.0%	Latin America	(80)	(56)	(24)	-42.9%
-	(1)	1	-	- of which Argentina	(2)	(3)	1	33.3%
(8)	(4)	(4)	-	- of which Brazil	(19)	(13)	(6)	-46.2%
(27)	(14)	(13)	-92.9%	- of which Chile	(59)	(39)	(20)	-51.3%
-	(1)	1	-	- of which Colombia	-	(1)	1	-
(10)	(3)	(7)	-	North America	(22)	(15)	(7)	-46.7%
(1)	2	(3)	-	Europe	(2)	3	(5)	-
(2)	-	(2)	-	Africa, Asia and Oceania	(3)	(1)	(2)	-
(8)	(26)	18	69.2%	Other	(79)	(87)	8	9.2%
<b>(52)</b>	<b>(14)</b>	<b>(38)</b>	<b>-</b>	<b>Total</b>	<b>(120)</b>	<b>(87)</b>	<b>(33)</b>	<b>-37.9%</b>

- (1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line from the Enel X Business Line.

The increase in the **ordinary gross operating loss** in the first nine months of 2022 is mainly attributable to an increase in costs in Latin America, incurred by Enel Chile for generation companies.

**Gross operating profit** increased primarily due to a decline in non-recurring items in respect of charges for

energy transition and digitalization initiatives (€8 million in the first nine months of 2022 compared with €205 million in the same period of 2021). Costs incurred in the first nine months of 2022 in responding to the COVID-19 pandemic for workplace sanitization, personal protective equipment and donations amounted to €4 million, unchanged on the same period of 2021.

### Ordinary operating profit/(loss)<sup>(1)</sup>

3rd Quarter				Millions of euro	First nine months			
2022	2021	Change			2022	2021	Change	
(16)	3	(19)	-	Italy	2	1	1	-
3	-	3	-	Iberia	(19)	(29)	10	34.5%
(36)	(21)	(15)	-71.4%	Latin America	(83)	(57)	(26)	-45.6%
-	(2)	2	-	- of which Argentina	(2)	(3)	1	33.3%
(10)	(4)	(6)	-	- of which Brazil	(21)	(13)	(8)	-61.5%
(27)	(14)	(13)	-92.9%	- of which Chile	(60)	(40)	(20)	-50.0%
1	(1)	2	-	- of which Colombia	-	(1)	1	-
(11)	(5)	(6)	-	North America	(30)	(20)	(10)	-50.0%
(1)	1	(2)	-	Europe	(3)	2	(5)	-
(2)	-	(2)	-	Africa, Asia and Oceania	(3)	(1)	(2)	-
(46)	(48)	2	4.2%	Other	(188)	(157)	(31)	-19.7%
<b>(109)</b>	<b>(70)</b>	<b>(39)</b>	<b>-55.7%</b>	<b>Total</b>	<b>(324)</b>	<b>(261)</b>	<b>(63)</b>	<b>-24.1%</b>

(1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line from the Enel X Business Line.

Developments in the **ordinary operating loss** in the first nine months of 2022 were broadly in line with the increase in the ordinary gross operating loss, taking account of an

increase of €30 million in depreciation, amortization and impairment losses.

### Capital expenditure<sup>(1)</sup>

Millions of euro	First nine months			
	2022	2021	Change	
Italy	65	48	17	35.4%
Iberia	32	26	6	23.1%
Latin America	2	5	(3)	-60.0%
North America	5	3	2	66.7%
Europe	-	1	(1)	-
Other	58	70	(12)	-17.1%
<b>Total</b>	<b>162</b>	<b>153</b>	<b>9</b>	<b>5.9%</b>

(1) The figures for 2021 have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line from the Enel X Business Line.

**Capital expenditure** in the first nine months of 2022 was in line with the same period of 2021.

# Definition of performance indicators

In order to present the results of the Group and analyze its financial structure, in this Interim Financial Report at September 30, 2022, Enel has prepared separate reclassified schedules that differ from the schedules envisaged under the IFRS-EU adopted by the Group. These reclassified schedules contain different performance indicators from those obtained directly from the condensed consolidated quarterly financial statements at September 30, 2022, 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 businesses connected with the new 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 businesses connected with the new 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 new 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 borrowings” included in “Other current liabilities”.

*Net assets held for sale:* calculated as the algebraic sum of “Assets held for sale” and “Liabilities included in disposal groups held for sale”.

*Net capital employed:* calculated as the 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 “Non-current financial borrowings” included in “Other non-current liabilities” and “Current financial borrowings” included in “Other current liabilities”;
- net of “Cash and cash equivalents”;
- net of the “Current portion of long-term loan assets”, “Current securities” and “Other financial assets” includ-

ed 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 reported in accordance with Guideline 39, issued on March 4th, 2021, by ESMA, applicable as from May 5th, 2021, and with the above warning notice no. 5/2021 issued by CONSOB on April 29th, 2021.

## Main changes in the scope of consolidation

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

condensed consolidated quarterly financial statements at September 30, 2022.

# Outlook

In the first nine months of 2022, the macroeconomic context remained extremely uncertain and volatile in reflection of the continuing geopolitical crisis, the need to diversify the supply of commodities and the tensions in gas markets, with a consequent further increase in the price of electricity and a significant boost to inflation.

These factors prompted the authorities of certain European countries to adopt measures to contain electricity prices for final customers, which in some cases has penalized companies operating in the electricity generation and sales sector.

In this environment, the Enel Group has demonstrated resilience and an ability to react thanks to its geographical diversification, combined with an integrated business model along the entire value chain.

Enel's action is continuing in accordance with the strategy outlined in the Strategic Plan presented to the financial markets in November 2021.

In the last quarter of 2022, we will:

- continue to pursue planned investment in renewable generation, grids and the electrification of consumption, in line with the Group's decarbonization strategy;
- continue to simplify and optimize our asset portfolio in order to increase Group profitability;

- continue to implement all management actions necessary to address the unfavorable conditions observed since the beginning of 2022, taking steps to safeguard customers from the volatility of electricity prices.

We confirm a total dividend for 2022 of €0.40 per share.

Thanks to the Group's geographical diversification, we can confirm the guidance for ordinary EBITDA in 2022 provided to the financial markets in November 2021 on the occasion of the presentation of the 2022-2024 Strategic Plan, which is expected to be between €19.0 billion and €19.6 billion.

The Group's ordinary net income for 2022 is instead expected amount to between €5.0 billion and €5.3 billion, compared with the previous estimate of between €5.6 billion and €5.8 billion, mainly due to a decline in the contribution of the Italian businesses compared with those of the other geographical areas in which the Group operates, with a consequent increase in the share of Group ordinary profit attributable to non-controlling interests, and to a larger-than-expected tax liability for 2022.

Finally, net financial debt for 2022 is expected to total a maximum of about €62 billion.

# **2.** Condensed consolidated quarterly financial statements at September 30, 2022







# Condensed Consolidated Income Statement

Millions of euro	Notes	First nine months	
		2022	2021
Total revenue <sup>(1)</sup>	6.a	108,177	58,794
Total costs	6.b	104,759	53,397
Net results from commodity contracts	6.c	2,103	996
<b>Operating profit<sup>(1)</sup></b>		<b>5,521</b>	<b>6,393</b>
Financial income <sup>(1)</sup>		6,940	3,512
Financial expense		8,924	5,476
Net income/(expense) from hyperinflation	2	261	73
<b>Total net financial income/(expense)<sup>(1)</sup></b>	6.d	<b>(1,723)</b>	<b>(1,891)</b>
<b>Share of profit/(loss) of equity-accounted investments</b>	6.e	<b>55</b>	<b>428</b>
<b>Pre-tax profit</b>		<b>3,853</b>	<b>4,930</b>
Income taxes	6.f	1,561	1,662
<b>Profit/(Loss) from continuing operations</b>		<b>2,292</b>	<b>3,268</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>2,292</b>	<b>3,268</b>
Attributable to owners of the Parent		1,759	2,505
Attributable to non-controlling interests		533	763
<b>Earnings per share</b>			
<b>Basic earnings per share</b>			
<i>Basic earnings per share</i>		<i>0.17</i>	<i>0.24</i>
<i>Basic earnings per share from continuing operations</i>		<i>0.17</i>	<i>0.24</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>0.17</i>	<i>0.24</i>
<i>Diluted earnings per share from continuing operations</i>		<i>0.17</i>	<i>0.24</i>
<i>Diluted earnings/(loss) per share from discontinued operations</i>		<i>-</i>	<i>-</i>

(1) For comparative purposes only, €139 million in the first nine months 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 quarterly financial statements at September 30, 2022.

# Statement of Consolidated Comprehensive Income

Millions of euro	First nine months	
	2022	2021
<b>Profit for the period</b>	<b>2,292</b>	<b>3,268</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	(3,260)	35
Change in fair value of hedging costs	(62)	299
Share of the other comprehensive expense of equity-accounted investments	71	(392)
Change in the fair value of financial assets at FVOCI	(13)	1
Change in translation reserve	3,110	(45)
<b>Other comprehensive income (expense) that may not be subsequently reclassified to profit or loss (net of taxes)</b>		
Remeasurement of net assets for defined-benefit plans	293	237
Change in fair value of equity investments in other companies	(3)	-
<b>Other comprehensive income/(expense) for the period</b>	<b>136</b>	<b>135</b>
<b>Comprehensive income/(expense) for the period</b>	<b>2,428</b>	<b>3,403</b>
<b>Attributable to:</b>		
- owners of the Parent	2,615	2,591
- non-controlling interests	(187)	812

# Condensed Consolidated Statement of Financial Position

Millions of euro	Notes	at Sept. 30, 2022	at Dec. 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment and intangible assets		110,368	102,733
Goodwill		14,219	13,821
Equity-accounted investments		902	704
Other non-current assets <sup>(1)</sup>		38,097	23,308
<b>Total non-current assets</b>	7.a	<b>163,586</b>	<b>140,566</b>
<b>Current assets</b>			
Inventories		5,594	3,109
Trade receivables		21,073	16,076
Cash and cash equivalents		6,484	8,858
Other current assets <sup>(2)</sup>		64,721	37,089
<b>Total current assets</b>	7.b	<b>97,872</b>	<b>65,132</b>
<b>Assets classified as held for sale</b>	7.c	<b>4,887</b>	<b>1,242</b>
<b>TOTAL ASSETS</b>		<b>266,345</b>	<b>206,940</b>
<b>LIABILITIES AND EQUITY</b>			
Equity attributable to the owners of the Parent	7.d	30,346	29,653
Non-controlling interests		12,379	12,689
<b>Total equity</b>		<b>42,725</b>	<b>42,342</b>
<b>Non-current liabilities</b>			
Long-term borrowings		68,693	54,500
Provisions and deferred tax liabilities		20,223	19,180
Other non-current liabilities		27,263	14,198
<b>Total non-current liabilities</b>	7.e	<b>116,179</b>	<b>87,878</b>
<b>Current liabilities</b>			
Short-term borrowings and current portion of long-term borrowings		27,252	17,337
Trade payables		18,527	16,959
Other current liabilities		59,121	41,462
<b>Total current liabilities</b>	7.f	<b>104,900</b>	<b>75,758</b>
<b>Liabilities included in disposal groups classified as held for sale</b>	7.g	<b>2,541</b>	<b>962</b>
<b>TOTAL LIABILITIES</b>		<b>223,620</b>	<b>164,598</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>266,345</b>	<b>206,940</b>

(1) Of which long-term financial assets and other securities at September 30, 2022 equal respectively to €3,311 million (€2,289 million at December 31, 2021) and €447 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 September 30, 2022 equal respectively to €2,695 million (€1,538 million at December 31, 2021), €13,319 million (€6,481 million at December 31, 2021) and €85 million (€88 million at December 31, 2021).

# Statement of Changes in Consolidated Equity

## Share capital and reserves attributable to the owners of the Parent

Millions of euro	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 January 1, 2021</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 hybrid bonds	-	-	-	-	-	-	-	-
Reclassifications	-	20	(20)	-	-	-	-	-
Purchase of treasury shares for share-based payments (LTI bonus)	-	-	(13)	-	-	43	-	-
Reserve for share-based payments (LTI bonus)	-	-	-	-	-	-	-	-
Equity instruments - hybrid perpetual bonds	-	-	-	2,214	-	-	-	-
Monetary restatement (IAS 29)	-	-	-	-	-	-	-	-
Change in the consolidation scope	-	-	-	-	-	-	-	(10)
Transactions in non-controlling interests	-	(2)	-	-	-	-	(1,234)	18
Comprehensive income/ (expense) for the period	-	-	-	-	-	-	152	(164)
<i>of which:</i>								
<i>- other comprehensive income/ (expense)</i>	-	-	-	-	-	-	152	(164)
<i>- profit/(loss) for the period</i>	-	-	-	-	-	-	-	-
<b>At September 30, 2021</b>	<b>10,167</b>	<b>7,494</b>	<b>(36)</b>	<b>4,600</b>	<b>2,034</b>	<b>2,311</b>	<b>(8,128)</b>	<b>(2,073)</b>
<b>At January 1, 2022</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 hybrid bonds	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	(11)	-	-	11	-	-
Reserve for share-based payments (LTI bonus)	-	-	-	-	-	5	-	-
Equity instruments - hybrid perpetual bonds	-	-	-	-	-	-	-	-
Monetary restatement (IAS 29)	-	-	-	-	-	-	-	-
Change in the consolidation scope	-	-	-	-	-	-	79	26
Transactions in non-controlling interests	-	-	-	-	-	-	(35)	(11)
Comprehensive income/ (expense) for the period	-	-	-	-	-	-	2,448	(1,804)
<i>of which:</i>								
<i>- other comprehensive income/ (expense)</i>	-	-	-	-	-	-	2,448	(1,804)
<i>- profit/(loss) for the period</i>	-	-	-	-	-	-	-	-
<b>At September 30, 2022</b>	<b>10,167</b>	<b>7,496</b>	<b>(47)</b>	<b>5,567</b>	<b>2,034</b>	<b>2,329</b>	<b>(5,633)</b>	<b>(4,057)</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
-	-	-	-	-	-	(1,861)	(1,861)	(1,024)	(2,885)
-	-	-	-	-	-	(26)	(26)	-	(26)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(36)	(6)	-	(6)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,214	-	2,214
-	-	-	-	-	-	169	169	149	318
-	-	10	-	-	-	-	-	31	31
-	-	-	(140)	-	444	(8)	(922)	(404)	(1,326)
306	1	(394)	185	-	-	2,505	2,591	812	3,403
306	1	(394)	185	-	-	-	86	49	135
-	-	-	-	-	-	2,505	2,505	763	3,268
64	-	(512)	(1,151)	(2,381)	(848)	18,943	30,484	13,596	44,080
(39)	10	(721)	(1,325)	(2,378)	(843)	17,801	29,653	12,689	42,342
-	-	-	-	-	-	(1,931)	(1,931)	(751)	(2,682)
-	-	-	-	-	-	(79)	(79)	-	(79)
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(11)	(11)	-	(11)
-	-	-	-	-	-	-	5	-	5
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	357	357	286	643
1	-	21	-	-	(30)	-	97	31	128
5	-	-	(2)	-	(317)	-	(360)	311	(49)
(56)	(15)	61	222	-	-	1,759	2,615	(187)	2,428
(56)	(15)	61	222	-	-	-	856	(720)	136
-	-	-	-	-	-	1,759	1,759	533	2,292
(89)	(5)	(639)	(1,105)	(2,378)	(1,190)	17,896	30,346	12,379	42,725

# Condensed Consolidated Statement of Cash Flows

Millions of euro	First nine months	
	2022	2021
<b>Pre-tax profit</b>	<b>3,853</b>	<b>4,930</b>
Adjustments for:		
Net impairment/(reversals) of trade receivables and other receivables	874	696
Depreciation, amortization and other impairment losses	6,026	4,328
Net financial (income)/expense <sup>(1)</sup>	1,723	1,891
Net gains from equity-accounted investments	(55)	(428)
Changes in net working capital:		
- inventories	(2,606)	(1,141)
- trade receivables	(5,762)	(3,036)
- trade payables	1,465	361
- other contract assets	(30)	(23)
- other contract liabilities	10	(58)
- other assets/liabilities <sup>(1)</sup>	(1,482)	451
Interest and other financial expense and income paid and received	(1,934)	(2,091)
Other changes	(1,175)	(813)
<b>Cash flows from operating activities (A)</b>	<b>907</b>	<b>5,067</b>
Investments in property, plant and equipment, intangible assets and non-current contract assets	(9,356)	(7,988)
Investments in entities (or business units) less cash and cash equivalents acquired	(1,241)	(277)
Disposals of entities (or business units) less cash and cash equivalents sold	139	61
(Increase)/Decrease in other investing activities	3	(25)
<b>Cash flows used in investing activities (B)</b>	<b>(10,455)</b>	<b>(8,229)</b>
New long-term borrowing	15,493	12,579
Repayments of borrowings	(4,659)	(8,903)
Other changes in net financial debt	971	3,408
Payments for acquisition of equity investments without change of control and other transactions in non-controlling interests	12	(1,304)
Issues/(Redemptions) of hybrid bonds	-	2,214
Sale/(Purchase) of treasury shares	(14)	(13)
Coupons paid to holders of hybrid bonds	(79)	(26)
Dividends and interim dividends paid	(4,706)	(4,746)
<b>Cash flows from (used in) financing activities (C)</b>	<b>7,018</b>	<b>3,209</b>
<b>Impact of exchange rate fluctuations on cash and cash equivalents (D)</b>	<b>289</b>	<b>(10)</b>
<b>Increase/(Decrease) in cash and cash equivalents (A+B+C+D)</b>	<b>(2,241)</b>	<b>37</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>	6,749	6,039

- (1) For comparative purposes only, in the first nine months 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 has been reclassified from financial income to revenue. The latter classification had no impact on cash flows from operating activities. For more details, please see note 2 to these condensed consolidated quarterly financial statements at September 30, 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 €6,484 million at September 30, 2022 (€5,936 million at September 30, 2021), short-term securities equal to €85 million at September 30, 2022 (€86 million at September 30, 2021) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €180 million at September 30, 2022 (€17 million at September 30, 2021).



# Notes to the condensed consolidated quarterly financial statements at September 30, 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 quarterly financial statements at September 30, 2022 are the same as those adopted for the consolidated financial statements at December 31, 2021 (please see the related report for more information) with the exception of a number of amendments to certain accounting standards. In particular, 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>(4)</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

(4) 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.

depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others).

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 clarifies 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>(5)</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 periods 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.

The application of these amendments did not have a material impact on these condensed consolidated quarterly financial statements.

(5) 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.

## 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. Similarly, hydroelectric generation performance is particularly high during the winter and early spring given the more favorable

seasonable water conditions. In view of the slight financial impact of these variations, further mitigated by the fact that the Group's operations are spread across both hemispheres and, therefore, the impact of weather-related factors tends to be uniform throughout the year, no additional disclosure (required under IAS 34.21) for developments in the 12 months ended September 30, 2022 is provided.

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

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

Accordingly, for comparative purposes only, €139 million in the first nine months 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 distribu-

tion 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.

In addition, this year the figures for the Enel X Business Line at June 30, 2021, have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other". That change impacted segment reporting but had no effect on the overall figures for the Group, although a number of items were reclassified within the various business lines.

### 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 consolidated quarterly 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 ope-

ning 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 nine 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 September 30, 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 September 30, 2022	68.68%

In the first nine months of 2022, the application of IAS 29 generated net financial income from hyperinflation adjustments (gross of tax) of €261 million.

The following tables report the effects of IAS 29 on the balance at September 30, 2022 and the impact of hyperinflation on the main income statement items for the first

nine months 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 Sept. 30, 2022
Total assets	1,366	1,044	(311)	2,099
Total liabilities	346	170	(92)	424
Equity	1,020	874 <sup>(1)</sup>	(219)	1,675

(1) The figure includes profit for the first nine months of 2022, equal to €231 million.

Millions of euro			
	First nine months 2022		
	IAS 29 effect	IAS 21 effect	Total effect
Revenue	180	(90)	90
Costs	243 <sup>(1)</sup>	(90) <sup>(2)</sup>	153
<b>Operating income</b>	<b>(63)</b>	<b>-</b>	<b>(63)</b>
Net financial income/(expense)	(14)	17	3
Net income/(expense) from hyperinflation	261	-	261
<b>Income before taxes</b>	<b>184</b>	<b>17</b>	<b>201</b>
Income taxes	(47)	(12)	(59)
<b>Profit for the period (owners of the Parent and non-controlling interests)</b>	<b>231</b>	<b>29</b>	<b>260</b>
Attributable to owners of the Parent	158	25	183
Attributable to non-controlling interests	73	4	77

(1) The figure includes the impact on depreciation, amortization and impairment losses of €73 million.

(2) The figure includes the impact on depreciation, amortization and impairment losses of €(5) million.

### 3. Main changes in the consolidation scope

At September 30, 2022, the consolidation scope had changed with respect to September 30, 2021 and December 31, 2021, as a result of the following main transactions:

#### 2021

- On January 8, 2021, Tynemouth Energy Storage was sold for a total €1 million. The sale did not have any significant impact on profit or loss.
- On January 20, 2021, Enel Green Power Bulgaria was sold for a total €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 CityPoste 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 global consolidation of Australian renewable energy companies previously accounted for using the equity method due to a change in governance arrangements at the company, 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 renewable companies for a total amount of €86 million.
- On September 8, 2021, Enel X North America sold Ge-nability 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, the following transactions in 2021, 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. Part of the goodwill was provisionally allocated during the first nine months of 2022.
- 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 Enel X Germany sold its entire stake in Cremzow KG and Cremzow Verwaltungen for about €12 million.
- On June 30, 2022, Enel Green Power SpA sold to Al Rayyan Holding LLC (controlled by the Qatar Investment Authority) 50% of its stake in EGP Matimba NewCo 1 Srl, indirect owner of six companies in South Africa with an installed capacity of about 740 MW, for about €108 million, which has been paid in full.
- On July 25, 2022, Enel X Srl sold to Mooney SpA, for about €140 million, settled in the form of financial receivables, its entire stakes in Enel X Financial Services, CityPoste Payment, PayTipper and Junia Insurance and their subsidiaries.
- On August 24, 2022, Enel Brasil SA, a subsidiary of Enel Américas, sold its entire stake in CGTF - Central Geradora Termelétrica Fortaleza SA to ENEVA SA for R\$489,755,891.94, equal to about €89 million. During the 2nd Quarter of 2022, in line with the provisions of "IFRS 5 - Non-current assets held for sale and discontinued operations", the net assets of CGTF - Central Geradora Termelétrica Fortaleza SA were classified as held for sale and their value was adjusted to the expected sale price, with the recognition of an impairment loss of about €73 million. In the 3rd Quarter of 2022, upon completion of the transaction, a capital loss of about €134 million was recognized, mainly attributable to the release of the translation reserve.
- In the first nine months of 2022, Enel Green Power Romania acquired 100% of Prowind Windfarm Bogdanesti, Prowind Windfarm Deleni, Prowind Windfarm Ivesti and Prowind Windfarm Viisoara for a total of about €35 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 39.89% to about 47.18%;
- 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 Ufnet 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 Ufnet as a distribution of available reserves.
- Consequently, Enel X International now holds an indirect stake of 19.5% in Ufnet, 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;
- on June 15, 2022, Enel Kansas LLC sold 50% of its stake in Rocky Caney Holdings LLC for about €34 million. Following the transaction, the interest of Enel Kansas LLC in Rocky Caney Holdings LLC decreased from 20% to 10%. The transaction generated a capital gain of about €7 million;
- on June 16, 2022, EGPNA REP Holdings LLC sold 50% of its stake in EGPNA Renewable Energy Partners LLC for about €60 million. Following the transaction, EGPNA REP Holdings LLC holds 10% of EGPNA Renewable Energy Partners LLC. The transaction generated a capital loss of about €7 million;
- on July 14, 2022, Enel, acting through its wholly-owned subsidiary Enel X, acquired 50% of the share capital of Mooney SpA. Based on an enterprise value of 100% for Mooney of €1,385 million, Enel X paid a total of about €225 million (including price adjustment) for the equity portion and about €125 million for the purchase of an existing claim of Schumann Investments SA against Mooney.

## 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.

At September 30, 2022, the allocation of the purchase price, which gave rise to goodwill, was still provisional. The Group will complete the definitive determination of the fair value of the assets acquired and the liabilities assumed within 12 months of the acquisition date.

Millions of euro	Amount recognized at January 3, 2022	Adjustments for purchase price allocation	Amount recognized at September 30, 2022
Non-current assets	625	346	971
Current assets	163	-	163
Non-current liabilities	(39)	(93)	(132)
Current liabilities	(69)	-	(69)
<b>Net assets acquired</b>	<b>680</b>	<b>253</b>	<b>933</b>
<b>Cost of the acquisition</b>	<b>1,265</b>	<b>-</b>	<b>1,265</b>
<i>(of which paid in cash)</i>	<i>1,265</i>		
Goodwill	585	(253)	332

## Sale of Ufinet

On March 24, 2022, Enel X International Srl sold 1.1% of 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.

## Sale of EGP Matimba NewCo 1

On June 30, 2022, Enel Green Power SpA sold to Al Rayyan Holding LLC (controlled by the Qatar Investment Authority) 50% of its stake in EGP Matimba NewCo 1 Srl, indirect ow-

ner of six companies in South Africa, for about €108 million, which has been paid in full.

Millions of euro	
Assets held for sale	1,157
Liabilities held for sale	(952)
<b>Net assets held for sale</b>	<b>205</b>
Other net assets	17
<b>Total net assets held for sale with loss of control</b>	<b>222</b>
<b>Interest sold</b>	<b>111</b>
<b>Sale price</b>	<b>108</b>
<b>Gain/(Loss) on sale</b>	<b>(3)</b>

Following the transaction, the residual equity investment in EGP Matimba NewCo 1 and its subsidiaries was classified among equity-accounted investments and it was remea-

sured at fair value with a negative impact on profit or loss of about €3 million. Following this remeasurement, the value of the residual equity investment is €108 million.

## Sale of Enel X Financial Services, CityPoste Payment, PayTipper and Junia Insurance

On July 25, 2022, Enel X Srl sold to Mooney SpA, for about €140 million, settled in the form of financial receivables, its

entire stakes in Enel X Financial Services, CityPoste Payment, PayTipper and Junia Insurance and their subsidiaries.

Millions of euro	
Value of the transaction	140
Net assets sold	(73)
<b>Capital gain on sale</b>	<b>67</b>

The transaction produced a capital gain of €67 million.



## Sale of Central Geradora Termelétrica Fortaleza SA

On August 24, 2022, Enel Brasil SA, a subsidiary of Enel Américas, sold its entire stake in CGTF - Central Geradora Termelétrica Fortaleza SA to ENEVA SA for R\$489,755,891.94, equal to about €89 million. During the 2nd Quarter of 2022, in line with the provisions

of “IFRS 5 - Non-current assets held for sale and discontinued operations”, the net assets of CGTF - Central Geradora Termelétrica Fortaleza SA were classified as held for sale and their value was adjusted to the expected sale price, about €73 million.

Millions of euro	
Assets held for sale	241
Liabilities held for sale	(44)
<b>Net assets held for sale</b>	<b>197</b>
Impairment loss on plants	(73)
<b>Total net assets involved in sale with loss of control</b>	<b>124</b>
<b>Sale price</b>	<b>89</b>
<b>Release of OCI reserve</b>	<b>(99)</b>
<b>Capital loss on sale</b>	<b>(134)</b>

In the 3rd Quarter of 2022, with the closing of the sale, a capital loss of about €134 million was recognized, mainly due to the release of the translation reserve.

## Acquisition of renewables companies in Romania

In 2022, Enel Green Power Romania acquired 100% of Prowind Windfarm Bogdanesti, Prowind Windfarm Deleni,

Prowind Windfarm Ivesti and Prowind Windfarm Viisoara for a total of about €35 million.

Millions of euro	Values at September 30, 2022			
	Prowind Windfarm Bogdanesti	Prowind Windfarm Deleni	Prowind Windfarm Viisoara	Prowind Windfarm Ivesti
Property, plant and equipment	3	5	4	18
Other current liabilities	-	-	-	(1)
<b>Net assets acquired</b>	<b>3</b>	<b>5</b>	<b>4</b>	<b>17</b>
<b>Cost of acquisition</b>	<b>6</b>	<b>14</b>	<b>14</b>	<b>1</b>
<i>(of which paid in cash)</i>	6	14	14	1
Goodwill/(Negative Goodwill)	3	9	10	(16)

The operation led to the recognition of goodwill of €22 million and negative goodwill recognized through profit or loss of €16 million.

## 4. Disclosure of impact of Russia-Ukraine conflict and assets operated in Russia

### Impact of the Russian invasion of Ukraine on the Interim Financial Report at September 30, 2022

In the first nine months of 2022, the Enel Group constantly monitored the effects of the international crisis on its business activities in Russia (with particular regard to provisioning of materials, services and labor), also assessing developments in market variables (e.g., exchange rates, interest rates). The Enel Group also took account of developments connected with the counter-sanctions envisaged by Russia targeting investments held in the country.

In addition, the Enel Group assessed the indirect impacts of the war in Ukraine on business activities, the financial situation and economic 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 various recommendations of national and supranational supervisory bodies<sup>(6)</sup> concerning this issue and in a constantly evolving scenario, characterized by considerable regulatory uncertainty and high and volatile prices, the Enel Group is constantly monitoring the macroeconomic and business variables that enable a best estimate of the potential impacts associated with regulatory changes, sanctions and restrictions on asset holdings, as well as on suppliers and contracts applicable to the Enel Group.

In this regard, it should be noted that no material impacts related to the Russia-Ukraine conflict have emerged at September 30, 2022.

### Enel sells entire holding of 56.43% in PJSC Enel Russia

On June 16, 2022, Enel SpA signed two separate agreements with PJSC Lukoil and the Closed Combined Mutual Investment Fund "Gazprombank-Frezia" for the sale of the entire stake held in PJSC Enel Russia, equal to 56.43% of the share capital of the latter, for a total of about €137 million.

The transaction closed with payment of the price in October 2022 following the fulfillment of the conditions to which the sale was subject, including authorization of the operation by the President of the Russian Federation pursuant to paragraph 5 of Decree no. 5 of August 5, 2022. For more information, please see the section "Events after the reporting period".

In order to reduce the risk for Enel SpA of the measures issued by the European Union, the United States and Russia regarding Russian sanctions and counter-sanctions, a number of measures had already been taken in the 2nd Quarter of 2022 to terminate Enel SpA's management and

coordination role with Enel Russia. These measures include: (i) the designation by Enel of only independent directors, of Russian nationality, at the election of the company's board of directors; (ii) the appointment of a new general manager, also of Russian nationality, who reports exclusively to the board of directors; (iii) the termination, where possible, of intercompany contracts; (iv) the modification of the organizational structure of the Enel Group in order to terminate reporting by the staff or business functions of Enel Russia to their Enel counterparts; and (v) the consequent interruption of any reporting flows between Enel SpA and Enel Russia.

As a result of these measures, Enel no longer exercises management and coordination over Enel Russia from the time of the appointment of the new board of directors at the general meeting held on June 7, 2022, while continuing to maintain, at September 30, 2022, control over the company from an accounting point of view in compliance with "IFRS 10 - Consolidated Financial Statements".

(6) ESMA Public Statements no. 71-99-1864 of March 14, 2022 and no. 32-63-1277 of May 13, 2022; CONSOB Warning Notices in the weekly notices of March 9-14, 2022 and March 10-21, 2022, and no. 3/22 of May 19, 2022.

In this regard, taking account of the progress of the activities necessary for the completion of the sale, for the purposes of the condensed consolidated quarterly financial statements at September 30, 2022, the assets and liabilities in respect of Enel Russia have been classified as “held for sale”, in line with the provisions of “IFRS 5 - Non-current assets held for sale and discontinued operations”.

In this regard, the value of the net assets of Enel Russia was adjusted to the expected sale price (€137 million) with the recognition of an impairment loss of €505 million. The net financial position of the group under disposal as at September 30, 2022 amounted to €471 million.

Upon completion of the sale, a further charge of about €1 billion (at September 30, 2022) will be recognized, mainly due to the release of the translation reserve.

It should also be noted that the Enel Group will continue to hold the following equity investments in Russia:

- Enel Green Power Rus LLC (a 100% indirect subsidiary of Enel SpA), a company that provides services for the development of renewable projects and which holds 100% interests in four renewable generation companies;
- Enel X Rus LLC (a 99% indirect subsidiary of Enel SpA);
- an investment, equal to 49.5%, in a joint venture (Ruse-nergosbyt LLC) operating in the End-user Markets Business Line.

## 5. Performance and financial position by primary segment (Business Line) and secondary segment (Geographical Area)

The presentation of performance and financial position by business line presented here is based on the approach used by management in monitoring Group performance for the two periods being compared. For more information

on the developments in performance and financial position that characterized the period under review, please see the appropriate sections of the Report on Operations.

### Performance by primary segment (Business Line)

#### First nine months of 2022<sup>(1)</sup>

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	41,104	4,841	13,296	47,067	1,720	149	108,177	-	108,177
Revenue and other income from transactions with other segments	16,705	2,059	2,640	3,720	32	1,469	26,625	(26,625)	-
<b>Total revenue</b>	<b>57,809</b>	<b>6,900</b>	<b>15,936</b>	<b>50,787</b>	<b>1,752</b>	<b>1,618</b>	<b>134,802</b>	<b>(26,625)</b>	<b>108,177</b>
Total costs	54,030	4,908	10,657	51,955	1,188	1,746	124,484	(26,625)	97,859
Net results from commodity contracts	500	168	-	1,451	(12)	(4)	2,103	-	2,103
Depreciation and amortization	623	1,106	2,177	354	142	186	4,588	-	4,588
Impairment losses	606	29	962	890	26	18	2,531	-	2,531
Impairment gains	(8)	(5)	(70)	(132)	(4)	-	(219)	-	(219)
<b>Operating profit/(loss)</b>	<b>3,058</b>	<b>1,030</b>	<b>2,210</b>	<b>(829)</b>	<b>388</b>	<b>(336)</b>	<b>5,521</b>	<b>-</b>	<b>5,521</b>
<b>Capital expenditure</b>	<b>499<sup>(2)</sup></b>	<b>3,973<sup>(3)</sup></b>	<b>3,866<sup>(4)</sup></b>	<b>581</b>	<b>228<sup>(5)</sup></b>	<b>162</b>	<b>9,309</b>	<b>-</b>	<b>9,309</b>

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

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

(3) Does not include €42 million regarding units classified as "held for sale".

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

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

#### First nine months of 2021<sup>(1) (2) (3)</sup>

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	17,072	4,592	12,505	23,574	963	88	58,794	-	58,794
Revenue and other income from transactions with other segments	6,723	1,754	2,564	38	32	1,428	12,539	(12,539)	-
<b>Total revenue</b>	<b>23,795</b>	<b>6,346</b>	<b>15,069</b>	<b>23,612</b>	<b>995</b>	<b>1,516</b>	<b>71,333</b>	<b>(12,539)</b>	<b>58,794</b>
Total costs	23,282	3,276	9,988	21,791	762	1,813	60,912	(12,539)	48,373
Net results from commodity contracts	615	(69)	-	449	-	1	996	-	996
Depreciation and amortization	675	963	1,951	307	119	172	4,187	-	4,187
Impairment losses	25	186	41	736	26	2	1,016	-	1,016
Impairment gains	(7)	(6)	(29)	(133)	(4)	-	(179)	-	(179)
<b>Operating profit/(loss)</b>	<b>435</b>	<b>1,858</b>	<b>3,118</b>	<b>1,360</b>	<b>92</b>	<b>(470)</b>	<b>6,393</b>	<b>-</b>	<b>6,393</b>
<b>Capital expenditure</b>	<b>418</b>	<b>3,287<sup>(4)</sup></b>	<b>3,433</b>	<b>431</b>	<b>179</b>	<b>153</b>	<b>7,901</b>	<b>-</b>	<b>7,901</b>

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments. An analogous approach was taken for other income and costs for the period.

(2) For comparative purposes only, €139 million in the first nine months 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 quarterly financial statements at September 30, 2022.

(3) The figures for the Enel X Business Line have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".

(4) Does not include €87 million regarding units classified as "held for sale".

## Performance by secondary segment (Geographical Area)

### First nine months 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	64,601	24,543	14,247	2,709	1,436	204	437	108,177
Revenue and other income from transactions with other segments	243	23	239	10	25	2	(542)	-
<b>Total revenue</b>	<b>64,844</b>	<b>24,566</b>	<b>14,486</b>	<b>2,719</b>	<b>1,461</b>	<b>206</b>	<b>(105)</b>	<b>108,177</b>
Total costs	64,035	19,525	11,003	2,641	858	132	(335)	97,859
Net results from commodity contracts	3,767	(1,641)	69	38	(110)	(13)	(7)	2,103
Depreciation and amortization	1,618	1,293	1,043	135	306	57	136	4,588
Impairment losses	514	283	1,150	559	11	-	14	2,531
Impairment gains	(2)	(157)	(6)	(52)	-	-	(2)	(219)
<b>Operating profit/(loss)</b>	<b>2,446</b>	<b>1,981</b>	<b>1,365</b>	<b>(526)</b>	<b>176</b>	<b>4</b>	<b>75</b>	<b>5,521</b>
<b>Capital expenditure</b>	<b>3,056</b>	<b>1,448</b>	<b>2,661<sup>(2)</sup></b>	<b>143<sup>(3)</sup></b>	<b>1,713</b>	<b>95<sup>(4)</sup></b>	<b>193<sup>(5)</sup></b>	<b>9,309</b>

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

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

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

(4) Does not include €40 million regarding units classified as "held for sale".

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

### First nine months of 2021<sup>(1)(2)</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	31,377	12,379	12,178	1,607	991	156	106	58,794
Revenue and other income from transactions with other segments	352	(64)	1	6	24	1	(320)	-
<b>Total revenue</b>	<b>31,729</b>	<b>12,315</b>	<b>12,179</b>	<b>1,613</b>	<b>1,015</b>	<b>157</b>	<b>(214)</b>	<b>58,794</b>
Total costs	27,309	9,773	9,287	1,295	544	100	65	48,373
Net results from commodity contracts	508	503	38	30	(84)	3	(2)	996
Depreciation and amortization	1,502	1,284	864	140	264	46	87	4,187
Impairment losses	372	181	389	59	5	-	10	1,016
Impairment gains	(15)	(122)	(1)	(40)	-	(1)	-	(179)
<b>Operating profit/(loss)</b>	<b>3,069</b>	<b>1,702</b>	<b>1,678</b>	<b>189</b>	<b>118</b>	<b>15</b>	<b>(378)</b>	<b>6,393</b>
<b>Capital expenditure</b>	<b>2,448</b>	<b>1,229</b>	<b>2,302</b>	<b>326</b>	<b>1,335</b>	<b>131<sup>(3)</sup></b>	<b>130</b>	<b>7,901</b>

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

(2) For comparative purposes only, €139 million in the first nine months 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 quarterly financial statements at September 30, 2022.

(3) Does not include €87 million regarding units classified as "held for sale".

## Financial position by primary segment (Business Line)

At September 30, 2022

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total reporting segment	Eliminations and adjustments	Total
Property, plant and equipment	8,855	42,638	40,477	43	519	713	93,245	(3)	93,242
Intangible assets	233	5,690	21,836	4,277	662	665	33,363	-	33,363
Non-current and current contract assets	(2)	4	1,301	-	74	51	1,428	51	1,479
Trade receivables	6,276	3,882	6,941	12,706	578	1,209	31,592	(9,977)	21,615
Other	7,963	750	3,382	3,392	410	1,626	17,523	(5,824)	11,699
<b>Operating assets</b>	<b>23,325<sup>(1)</sup></b>	<b>52,964<sup>(2)</sup></b>	<b>73,937<sup>(3)</sup></b>	<b>20,418</b>	<b>2,243<sup>(4)</sup></b>	<b>4,264<sup>(5)</sup></b>	<b>177,151</b>	<b>(15,753)</b>	<b>161,398</b>
Trade payables	7,631	3,939	4,702	10,227	638	1,128	28,265	(9,333)	18,932
Non-current and current contract liabilities	50	218	7,418	35	17	7	7,745	(67)	7,678
Sundry provisions	5,609	1,007	3,822	423	41	1,145	12,047	(68)	11,979
Other	3,457	1,795	8,654	5,422	109	1,289	20,726	(5,861)	14,865
<b>Operating liabilities</b>	<b>16,747<sup>(6)</sup></b>	<b>6,959<sup>(7)</sup></b>	<b>24,596<sup>(8)</sup></b>	<b>16,107</b>	<b>805<sup>(9)</sup></b>	<b>3,569</b>	<b>68,783</b>	<b>(15,329)</b>	<b>53,454</b>

- (1) Of which €217 million regarding units classified as "held for sale".  
(2) Of which €680 million regarding units classified as "held for sale".  
(3) Of which €2,912 million regarding units classified as "held for sale".  
(4) Of which €26 million regarding units classified as "held for sale".  
(5) Of which €42 million regarding units classified as "held for sale".  
(6) Of which €59 million regarding units classified as "held for sale".  
(7) Of which €22 million regarding units classified as "held for sale".  
(8) Of which €1,449 million regarding units classified as "held for sale".  
(9) Of which €45 million regarding units classified as "held for sale".

At December 31, 2021<sup>(1)</sup>

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Enel X	Holding, Services and Other	Total reporting segment	Eliminations and adjustments	Total
Property, plant and equipment	9,384	36,205	38,635	49	486	713	85,472	-	85,472
Intangible assets	216	5,016	21,473	4,030	670	631	32,036	-	32,036
Non-current and current contract assets	1	1	525	-	60	21	608	43	651
Trade receivables	4,814	2,601	6,731	6,533	559	1,347	22,585	(6,493)	16,092
Other	4,319	826	2,614	3,812	345	2,287	14,203	(6,107)	8,096
<b>Operating assets</b>	<b>18,734<sup>(2)</sup></b>	<b>44,649<sup>(3)</sup></b>	<b>69,978</b>	<b>14,424</b>	<b>2,120<sup>(4)</sup></b>	<b>4,999</b>	<b>154,904</b>	<b>(12,557)</b>	<b>142,347</b>
Trade payables	5,730	3,701	4,390	7,129	695	1,259	22,904	(5,920)	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	52	1,297	11,147	(89)	11,058
Other	4,125	1,901	8,104	4,575	141	3,659	22,505	(6,245)	16,260
<b>Operating liabilities</b>	<b>14,543</b>	<b>6,754<sup>(5)</sup></b>	<b>23,620</b>	<b>12,232</b>	<b>901<sup>(6)</sup></b>	<b>6,228</b>	<b>64,278</b>	<b>(12,329)</b>	<b>51,949</b>

- (1) The figures for the Enel X Business Line have been restated to take account of the transfer of certain net assets and their associated revenue and expenditure flows to the new e-Mobility Business Line, which is reported under "Holding, Services and Other".  
(2) Of which €2 million regarding units classified as "held for sale".  
(3) Of which €999 million regarding units classified as "held for sale".  
(4) Of which €136 million regarding units classified as "held for sale".  
(5) Of which €28 million regarding units classified as "held for sale".  
(6) Of which €57 million regarding units classified as "held for sale".

## Financial position by secondary segment (Geographical Area)

At September 30, 2022

Millions of euro	Italy	Iberia	Latin America	Europe	North America	Africa, Asia and Oceania	Other, Eliminations and adjustments	Total
Property, plant and equipment	29,328	22,928	22,243	3,364	14,099	1,177	103	93,242
Intangible assets	3,024	16,158	11,901	779	624	125	752	33,363
Non-current and current contract assets	129	-	1,302	1	21	19	7	1,479
Trade receivables	9,929	6,705	5,695	1,106	297	64	(2,181)	21,615
Other	6,891	3,468	1,788	317	425	45	(1,235)	11,699
<b>Operating assets</b>	<b>49,301<sup>(1)</sup></b>	<b>49,259</b>	<b>42,929<sup>(2)</sup></b>	<b>5,567<sup>(3)</sup></b>	<b>15,466</b>	<b>1,430<sup>(4)</sup></b>	<b>(2,554)</b>	<b>161,398</b>
Trade payables	11,035	4,553	4,737	483	1,262	111	(3,249)	18,932
Non-current and current contract liabilities	4,156	3,091	49	441	-	1	(60)	7,678
Sundry provisions	4,182	4,028	2,814	97	154	29	675	11,979
Other	4,525	3,816	5,443	360	1,890	59	(1,228)	14,865
<b>Operating liabilities</b>	<b>23,898<sup>(5)</sup></b>	<b>15,488</b>	<b>13,043<sup>(6)</sup></b>	<b>1,381<sup>(7)</sup></b>	<b>3,306</b>	<b>200<sup>(8)</sup></b>	<b>(3,862)</b>	<b>53,454</b>

- (1) Of which €2 million regarding units classified as "held for sale".  
(2) Of which €2,976 million regarding units classified as "held for sale".  
(3) Of which €859 million regarding units classified as "held for sale".  
(4) Of which €40 million regarding units classified as "held for sale".  
(5) Of which €6 million regarding units classified as "held for sale".  
(6) Of which €1,494 million regarding units classified as "held for sale".  
(7) Of which €74 million regarding units classified as "held for sale".  
(8) Of which €1 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 Sept. 30, 2022	at Dec. 31, 2021
<b>Total assets</b>	<b>266,345</b>	<b>206,940</b>
Equity-accounted investments	902	704
Other non-current financial assets	21,094	8,476
Non-current tax assets included in "Other non-current assets"	2,254	2,286
Other current financial assets	56,886	31,436
Cash and cash equivalents	6,484	8,858
Deferred tax assets	13,393	11,034
Tax assets	2,983	1,694
Financial and tax assets of "Assets held for sale"	951	105
<b>Segment assets</b>	<b>161,398</b>	<b>142,347</b>
<b>Total liabilities</b>	<b>223,620</b>	<b>164,598</b>
Long-term borrowings	68,693	54,500
Non-current financial derivative liabilities	16,047	3,339
Other non-current financial liabilities	129	120
Short-term borrowings	22,971	13,306
Current portion of long-term borrowings	4,281	4,031
Other current financial liabilities	42,286	25,232
Deferred tax liabilities	11,177	9,259
Income tax liabilities	1,380	712
Other tax liabilities	2,237	1,274
Financial and tax liabilities of "Liabilities included in disposal groups held for sale"	965	876
<b>Segment liabilities</b>	<b>53,454</b>	<b>51,949</b>



# Revenue

## 6.a Revenue - €108,177 million

Millions of euro	First nine months			
	2022	2021	Change	
Sale of electricity	56,465	29,945	26,520	88.6%
Transport of electricity	8,286	8,088	198	2.4%
Fees from network operators	633	663	(30)	-4.5%
Transfers from institutional market operators	971	886	85	9.6%
Sale of gas	6,163	1,917	4,246	-
Transport of gas	272	405	(133)	-32.8%
Sale of fuel	4,149	1,056	3,093	-
Fees for connection to electricity and gas networks	623	568	55	9.7%
Construction contracts <sup>(1)</sup>	1,253	838	415	49.5%
Sale of environmental certificates	65	131	(66)	-50.4%
Sale of value-added services	997	762	235	30.8%
Other sales and services	846	552	294	53.3%
<b>Total IFRS 15 revenue</b>	<b>80,723</b>	<b>45,811</b>	<b>34,912</b>	<b>76.2%</b>
Sale of commodities under contracts with physical settlement	30,219	15,551	14,668	94.3%
Fair value gain/(loss) on commodity sales contracts with physical settlement closed during the period	(4,389)	(3,868)	(521)	-13.5%
Grants for environmental certificates	167	234	(67)	-28.6%
Sundry reimbursements	209	212	(3)	-1.4%
Remeasurement at fair value and gain on sale of subsidiaries, associates, joint ventures, joint operations and non-current assets held for sale	305	3	302	-
Gain on sale of property, plant and equipment and intangible assets	26	7	19	-
Other revenue and income	917	844	73	8.6%
<b>Total revenue<sup>(1)</sup></b>	<b>108,177</b>	<b>58,794</b>	<b>49,383</b>	<b>84.0%</b>

(1) For comparative purposes only, €139 million in the first nine months 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 quarterly financial statements at September 30, 2022.

In the first nine months of 2022, revenue from the “sale of electricity” amounted to €56,465 million, an increase of €26,520 million compared with the same period of the previous year (+88.6%). The increase mainly reflects higher sales volumes and the rise in electricity sales prices, mainly in Italy (€15,629 million) and Spain (€8,582 million).

The increase in revenue from the “sale of gas” (up €4,246 million compared with the first nine months of 2021) is mainly attributable to an increase in quantities sold at rising average prices, mainly in Spain (€2,938 million) and Italy (€1,010 million).

Revenue from the “sale of fuel” increased by €3,093 million, primarily by Enel Global Trading due to the rise in gas prices.

The increase in the “sale of commodities under contracts with physical settlement” measured at fair value through profit or loss within the scope of IFRS 9 (€14,668 million) mainly regards the sale of gas. This positive factor was partly offset by a decline in the results from the measurement of contracts settled compared with the first nine months of 2021 (-€521 million), mainly regarding gas and electricity.

The following table shows the net fair value gain or loss on contracts for the sale or purchase of commodities with physical settlement measured at fair value through profit or loss within the scope of IFRS 9.

Millions of euro	First nine months			Change
	2022	2021		
<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	4,318	2,247	2,071	92.2%
Fair value gain/(loss) on closed contracts	(868)	(566)	(302)	-53.4%
<b>Total electricity</b>	<b>3,450</b>	<b>1,681</b>	<b>1,769</b>	<b>-</b>
Sale of gas	25,097	13,298	11,799	88.7%
Fair value gain/(loss) on closed contracts	(3,593)	(3,302)	(291)	-8.8%
<b>Total gas</b>	<b>21,504</b>	<b>9,996</b>	<b>11,508</b>	<b>-</b>
Sale of environmental certificates	804	6	798	-
Fair value gain/(loss) on closed contracts	72	-	72	-
<b>Total environmental certificates</b>	<b>876</b>	<b>6</b>	<b>870</b>	<b>-</b>
<b>Total revenue</b>	<b>25,830</b>	<b>11,683</b>	<b>14,147</b>	<b>-</b>
<b>Purchase contracts</b>				
Purchase of electricity	4,677	1,809	2,868	-
Fair value gain/(loss) on closed contracts	(402)	(352)	(50)	-14.2%
<b>Total electricity</b>	<b>4,275</b>	<b>1,457</b>	<b>2,818</b>	<b>-</b>
Purchase of gas	26,756	12,289	14,467	-
Fair value gain/(loss) on closed contracts	(2,520)	(2,708)	188	6.9%
<b>Total gas</b>	<b>24,236</b>	<b>9,581</b>	<b>14,655</b>	<b>-</b>
Purchase of environmental certificates	949	(135)	1,084	-
Fair value gain/(loss) on closed contracts	53	(53)	106	-
<b>Total environmental certificates</b>	<b>1,002</b>	<b>(188)</b>	<b>1,190</b>	<b>-</b>
<b>Total costs</b>	<b>29,513</b>	<b>10,850</b>	<b>18,663</b>	<b>-</b>
<b>Net revenue/(costs) on contracts for energy commodities with physical settlement closed in the period</b>	<b>(3,683)</b>	<b>833</b>	<b>(4,516)</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	(261)	(1,655)	1,394	84.2%
Gas	(17,335)	(18,357)	1,022	5.6%
Environmental certificates	608	(729)	1,337	-
<b>Total</b>	<b>(16,988)</b>	<b>(20,741)</b>	<b>3,753</b>	<b>18.1%</b>
<b>Purchase contracts</b>				
Electricity	2,014	(961)	2,975	-
Gas	(20,233)	(17,362)	(2,871)	-16.5%
Environmental certificates	561	(606)	1,167	-
<b>Total</b>	<b>(17,658)</b>	<b>(18,929)</b>	<b>1,271</b>	<b>6.7%</b>
<b>Net unrealized fair value gain/(loss) on outstanding contracts for energy commodities with physical settlement (IFRS 9)</b>	<b>670</b>	<b>(1,812)</b>	<b>2,482</b>	<b>-</b>
<b>TOTAL NET REVENUE/(COSTS) ON CONTRACTS WITH PHYSICAL SETTLEMENT (IFRS 9)</b>	<b>(3,013)</b>	<b>(979)</b>	<b>(2,034)</b>	<b>-</b>

Gains on the sale of entities in the first nine months of 2022 amounted to €305 million and mainly reflect the recognition of the gain on the disposal by Enel X International of 1.1% of the interest in Ufnet (€220 million) and the disposal by Enel X Srl of financial companies to Mooney (€67 million).

“Other revenue and income” registered an increase of €73 million, largely attributable to the negative goodwill connected with the purchase in Romania of Prowind Windfarm Ivesti (€16 million) and an increase in income from a number of projects in the United States and Mexico (€40 million).

## Costs

### 6.b Costs – €104,759 million

Millions of euro	First nine months			
	2022	2021	Change	
Electricity purchases	39,862	15,917	23,945	-
Consumption of fuel for electricity generation	6,961	2,639	4,322	-
Fuel for trading and gas for sale to end users	30,925	11,982	18,943	-
Materials	2,596	1,435	1,161	80.9%
Personnel	3,549	4,128	(579)	-14.0%
Services, leases and rentals	12,608	12,213	395	3.2%
Depreciation, amortization and impairment losses	6,900	5,024	1,876	37.3%
Costs of environmental certificates	2,129	762	1,367	-
Other operating expenses	1,432	1,255	177	14.1%
Capitalized costs	(2,203)	(1,958)	(245)	-12.5%
<b>Total</b>	<b>104,759</b>	<b>53,397</b>	<b>51,362</b>	<b>96.2%</b>

“Electricity purchases” increased due to an increase in volumes purchased at rising average prices compared with the first nine months of 2021, mainly in Italy (€17,449 million) and Spain (€5,196 million). The item includes the result of the fair value measurement of contracts for the purchase of electricity with physical settlement closed in the first nine months of 2022, which registered a decrease of €50 million on the same period of 2021.

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

The increase in costs for “fuel for trading and gas for sale to end users” essentially reflects commodity price effects, gas in particular. The item includes the results of the fair value measurement of purchases of gas under contracts with physical settlement closed the first nine months of 2022, which increased by €188 million over the corresponding period in 2021.

The increase in costs for “materials” was mainly due to an increase in costs for the purchase of CO<sub>2</sub> allowances, an

increase in costs connected with poor water conditions and greater costs incurred for sourcing activities.

In the first nine months of 2022, “personnel” costs amounted to €3,549 million, a decrease of €579 million.

The change mainly reflected an increase in costs incurred in Italy in the first nine months of 2021, as a result of the signing of a new framework agreement in application of Article 4, paragraphs 1-7 *ter*, of Law 92/2012, for which provisions of €751 million were recognized for restructuring and digitalization. This factor was only partly offset by an increase in costs for wages and salaries in Latin America, North America and Spain.

The Enel Group workforce at September 30, 2022 numbered 67,381, of whom 36,195 employed outside Italy. In the first nine months of 2022, the Group workforce increased by 1,102, reflecting the positive balance between new hires and terminations (+1,127) and the change in the consolidation scope (-25), mainly connected with:

- the acquisition of Enel Hydro Appennino Centrale Srl in Italy;
- the acquisition of Melita Italy Srl in Italy;

- the sale of PayTipper SpA in Italy;
- the sale of CityPoste Payment SpA in Italy;
- the sale of PayTipper Network Srl in Italy;
- the sale of FlagPay Srl in Italy;
- the sale of Enel Geração Fortaleza SA in Brazil.

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

<b>Balance at December 31, 2021</b>	<b>66,279</b>
Hirings	4,458
Terminations	(3,331)
Change in consolidation scope	(25)
<b>Balance at September 30, 2022</b>	<b>67,381</b>

The increase of €395 million in costs for “services, leases and rentals” compared with the first nine months of 2021 mainly reflected an increase in costs for services connected with the electricity and gas business, greater costs for the value-added service business, greater costs for service concession arrangements in Brazil and an increase in spending for professional and technical services.

These effects were mitigated by:

- a decrease in costs for wheeling, mainly in Spain, as a result of a decline in average prices charged, partially offset by an increase in the same costs in Latin America due to an expansion in volumes transacted;
- the effect of the increase in provisions in the first nine months of 2021 for charges connected with the conversion of plants in Italy as part of energy transition efforts.

The increase in “depreciation, amortization and impairment losses” in the first nine months of 2022 mainly reflected:

- an increase in depreciation resulting from the reduction in the useful life of first-generation electronic meters and depreciation of tangible assets connected with new investments made in recent years in the renewable energy sector;
- an increase in impairment losses on trade receivables in Italy (€148 million) and Spain (€64 million);
- impairment losses recognized on the net assets of Enel Russia (€505 million) and Celg Distribuição SA (€824

million), a Brazilian company operating in the power distribution industry in the region of Goiás, after their classification as held for sale;

- impairment losses recognized on CGT Fortaleza in Brazil (€73 million).

These effects were partly offset by the effect of the impairment loss recorded in the first nine months of 2021 on PH Chucas in Costa Rica.

“Costs of environmental certificates” increased by €1,367 million, mainly due to a significant increase in the cost of CO<sub>2</sub> and the rise in the volume of thermal generation.

“Other operating expenses” increased by €177 million, largely reflecting the capital loss registered on the disposal of CGT Fortaleza in Brazil.

“Capitalized costs” increased by €245 million, mainly reflecting:

- an increase in investment in renewables plants, mainly in Spain and Italy;
- an increase in investment in distribution lines in Latin America;
- an increase in work on distribution grids and the installation of second-generation meters in the first nine months of 2022 compared with the same period of 2021.

## 6.c Net results from commodity contracts – €2,103 million

Net results from commodity contracts showed net income of €2,103 million in the first nine months of 2022 (net income of €996 million in the same period of 2021) and break down as follows:

- net income from commodity derivatives in the amount of €1,433 million (net income of €2,808 million in the first nine months of 2021), relating to derivatives designated as cash flow hedges and derivatives measured at fair value through profit or loss. In particular, net income from derivatives settled in the period amounted

to €3,041 million (net income of €705 million in the first nine months of 2021) and the net fair value gain on outstanding derivatives came to €1,608 million (net income of €2,103 million in the first nine months of 2021);

- net fair value gain on energy commodity sale and purchase contracts with physical settlement still outstanding at the reporting date amounting to €670 million (net expense of €1,812 million in the first nine months of 2021).

## 6.d Net financial income/(expense) - €(1,723) million

Net financial expense decreased by €168 million on the same period of 2021.

More specifically, financial income in the first nine months of 2022 amounted to €6,940 million, an increase of €3,428 million on the same period of 2021 (€3,512 million). The change mainly reflects the following factors:

- an increase of €1,685 million in income from derivative instruments, essentially in respect of derivative designated as cash flow hedges of the risk of fluctuations in exchange rates for loans denominated in foreign currencies;
- an increase in exchange gains of €1,285 million, mainly reflecting the impact of exchange rate developments on net financial debt denominated in currencies other than the euro. The change mainly regarded Enel Finance International (€726 million), Enel Chile (€284 million), Enel Américas (€271 million), and Enel SpA (€43 million), partly offset by a decrease in exchange gains, mainly with Enel Green Power México (€63 million);
- an increase in income from the adjustment of liabilities covered by fair value hedges in the amount of €181 million.

Financial expense in the first nine months of 2022 amounted to €8.924 million, an increase of €3,448 million compared with the first nine months of 2021. The change is mainly attributable to the following factors:

- an increase of €1,630 million in exchange losses, which mainly involved: Enel Finance International (€1,136 million), Enel Global Trading (€118 million), Enel SpA (€99 million) and Enel Chile (€268 million);
- an increase of €1,727 million, essentially in respect of derivatives designated as cash flow hedges of the risk of fluctuations in exchange rates for loans denominated in foreign currencies.

Finally, the Argentine companies recognized net income from hyperinflation adjustments in compliance with IAS 29 concerning accounting rules for hyperinflationary economies in the amount of €261 million in the first nine months of 2022, an increase of €188 million on the same period of 2021 (net income of €73 million).

## 6.e Share of profit/(loss) of equity-accounted investments - €55 million

The share of profit/(loss) of equity-accounted investments was a positive €55 million in the first nine months of 2022, a decrease of €373 million compared with the first nine months of 2021.

The change was essentially due to the reduction in the share of profit/(loss) attributable to Slovak Power Holding

(€390 million), which was strongly penalized by the sharp rise in electricity prices on the spot market, slightly offset by an increase of the share of profit/(loss) attributable to the Mexican companies involved in Project Kino (€6 million) and Rusenergoby (€14 million).

## 6.f Income taxes - €1,561 million

Income taxes for the first nine months of 2022 amounted to €1,561 million, representing effective income tax rate of 40.5%, compared with 33.7% for the first nine months of 2021. The increase in the effective rate in the first nine months of 2022 compared with the same period of 2021 mainly reflects:

- an increase in the tax impact of the rise in the tax rate from 25% to 35% in Argentina and from 30% to 35% in Colombia;
- an increase in costs incurrent in Italy for the windfall tax

used to fund measures to limit the impact of energy price increases on utility bills provided for in Decree Law 21/2022 (about €70 million);

- the tax impact of impairment losses recognized in the period.

These adverse factors were partly offset by:

- deferred tax assets recognized on the carve-out of the e-Mobility business in North America (€55 million);
- the tax impact of the disposal of the interest in Ufinet.

## Assets

### 7.a Non-current assets - €163,586 million

*Property, plant and equipment and intangible assets*, including investment property, amounted to €110,368 million at September 30, 2022, an increase of €7,635 million. The rise mainly reflects investments in the period (€9,309 million), exchange gains (€4,314 million) and hyperinflation effects in Argentina (€992 million gross of the impact on depreciation and amortization). These impacts were partially offset by depreciation, amortization and impairment losses on those assets (€4,622 million) and assets reclassified as held for sale (€2,946 million).

*Goodwill* amounted to €14,219 million, an increase of €398 million, mainly attributable to the exchange gains of the Brazilian companies, the acquisition on January 3, 2022 by Enel Produzione SpA of 100% of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl), and the acquisition by Enel Green Power Romania of 100% of Prowind Windfarm Bogdanesti, Prowind Windfarm Deleni and Prowind Windfarm Viisoara. These factors were partially offset by the reclassification of the goodwill of Celg Distribuição SA - Celg-D and Enel Transmisión Chile SA to assets held for sale.

*Equity-accounted investments* amounted to €902 million, an increase of €198 million on the end of 2021. The rise is mainly attributable to:

- the positive impact of the change in the consolidation, mainly involving:
  - the acquisition of the interest in Mooney (€232 million). More specifically, the period saw the finalization of a transaction in which Enel X Srl and Banca 5 both acquired 50% of Mooney, exercising joint control over that company. Subsequently, Mooney Group

completed the acquisition from Enel X of all the latter's assets in the financial services sector, thereby creating a European fintech joint venture;

- the recognition of the investment in the Matimba project companies (€108 million), which had previously been classified as held for sale.

These factors were partially offset by the reclassification of the investment in Zacapa Topco (€114 million) under "Investments in other entities" following the sale by Enel X International of 1.1% of the investment held in Ufinet (the remaining stake is now 19.9%), as well as from the sale of 50% of the stakes held in EGPNA Renewable Energy Partners and in Rocky Caney Holding (which, following the transaction, go from 20% to 10%);

- the profits attributable to the Group of equity-accounted companies (€55 million), with the greatest contribution coming from Rusenergosbyt and a number of Spanish companies;
- changes in OCI reserves, mainly those of the Spanish companies.

These positive factors were mainly offset by:

- dividends distributed during the period (€52 million), mainly by Rusenergosbyt and a number of Spanish companies;
- the reclassification of the investment in the Spanish company Tecnatom (€27 million) as held for sale.

Finally, with regard to the investment in Slovak Power Holding, at September 30, 2022, following the decline in the fair value of cash flow hedge derivatives, the value of the investment was completely written off.

Other non-current assets include:

Millions of euro	at Sept. 30, 2022	at Dec. 31, 2021	Change	
Deferred tax assets	13,393	11,034	2,359	21.4%
Non-current receivables and securities included in net financial debt	3,758	2,692	1,066	39.6%
Other non-current financial assets	17,336	5,784	11,552	-
Receivables due from institutional market operators	265	242	23	9.5%
Other long-term receivables	3,345 <sup>(1)</sup>	3,556 <sup>(2)</sup>	(211)	-5.9%
<b>Total</b>	<b>38,097</b>	<b>23,308</b>	<b>14,789</b>	<b>63.5%</b>

(1) The item includes investments in contract assets of €908 million.

(2) The item includes investments in contract assets of €907 million.

The increase for the period mainly reflects:

- 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, and the impact of exchange differences in Latin America and North America, partially offset by the reversal of deferred tax assets on differences in the value of non-current assets, mainly in Italy, as well as the reversal of deferred tax assets by Enel Iberia, the lead company in the consolidated taxation mechanism in Spain;
- an increase in “other non-current financial assets”, mainly due to the increase in the fair value of derivatives (€10,337 million), essentially in respect of derivatives designated as cash flow hedges (€8,196 million) and de-

rivatives at FVTPL (€2,169 million), as well as the increase in financial assets in respect of service concession arrangements in Latin America (€916 million).

These effects were partially offset by a decrease in “other long-term receivables”, primarily in Brazil due to the reclassification of assets in respect of service concession arrangements within the scope of IFRIC 12 to intangible assets and non-current financial assets, following the completion of the implementation phase of the infrastructure works envisaged in the arrangements, as well as the outcome of the PIS/COFINS dispute, which resulted in the recognition of a decrease of €238 million in tax credits. These factors were partially offset by the recognition of exchange gains following the appreciation of the Brazilian currency.

## 7.b Current assets – €97,872 million

*Inventories* amounted to €5,594 million, an increase of €2,485 million, mainly in Italy and Spain, essentially reflecting the increase in inventories of fuels and materials.

*Trade receivables* amounted to €21,073 million, an increase of €4,997 million, mainly registered in Spain and Italy in reflection of the increase in revenue from the sale of energy commodities and electricity transmission.

Other current assets break down as follows:

Millions of euro	at Sept. 30, 2022	at Dec. 31, 2021	Change	
Other current financial assets included in net financial debt	16,099	8,467	7,632	90.1%
Other current financial assets	40,787	22,968	17,819	77.6%
Tax assets	2,983	1,694	1,289	76.1%
Amounts due from institutional market operators	2,488	2,200	288	13.1%
Other short-term assets	2,364	1,760	604	34.3%
<b>Total</b>	<b>64,721</b>	<b>37,089</b>	<b>27,632</b>	<b>74.5%</b>

The increase in the period of €27,632 million is largely due to:

- an increase in “other current financial assets included in net financial debt”, attributable to the increase in short-term financial assets (€6,478 million), essentially reflecting the greater cash collateral paid to counterparties in derivatives transactions;
- an increase in “other current financial assets”, mainly attributable to the rise in the fair value of derivative financial instruments in the amount of €17,764 million, primarily in respect of derivatives at FVTPL (€15,047 million) and derivatives designated as cash flow hedges (€2,701 million);
- an increase in “tax assets” relating essentially to assets

for payments on account by the Parent, Enel SpA;

- an increase in “amounts due from institutional market operators”, primarily attributable in Italy to amounts due from the Energy and Environmental Services Fund, mainly claimed by Servizio Elettrico Nazionale (€1,015 million) in connection with equalization mechanisms, and in Spain to claims of Endesa SA for the Social Bonus subsidy mechanism;
- an increase in “other short-term assets”, mainly regarding an increase in tax receivables for value added tax, the increase in amounts due in respect of expired derivatives contracts and an increase in prepaid expenses, largely in respect of fees for water diversion for industrial use and items connected with personnel.

## 7.c Assets classified as held for sale – €4,887 million

The item essentially includes assets measured at lower between cost (net carrying amount) and 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.

On June 16, 2022, Enel SpA signed two separate agreements concerning the sale of its entire stake in the share capital of PJSC Enel Russia, following which the net assets of Enel Russia Group were classified as held for sale and the value was written down by €505 million to align it with the sale price. The net financial position of the Enel Russia Group at September 30, 2022, amounted to €471 million and the cumulative translation reserve at September 30, 2022 amounted to €1,019 million.

On October 12, 2022, following the fulfilment of all the conditions set out in the two separate contracts, including approval of the transaction by the President of the Russian Federation in accordance with paragraph 5 of Decree no. 520 of August 5, 2022, the disposal of the entire stake in PJSC Enel Russia was finalized at the agreed price of €137 million.

For more information, please see note 4 of these condensed consolidated quarterly financial statements at September 30, 2022.

On September 23, 2022, Enel Brasil SA, controlled through the Chilean listed company Enel Américas SA, signed with Equatorial Participações e Investimentos SA, a subsidiary of Equatorial Energia SA, an agreement for the sale of its entire stake in the Brazilian power distribution company Celg Distribuição SA – Celg-D, equal to about 99.9% of the latter’s share capital.

The value of the net assets of Celg-D was written down to align it with the sale price, which involved the recognition of an impairment loss of €824 million.

The balance at September 30, 2022 of assets classified as held for sale also includes companies held for sale in Chile (Enel Transmisión Chile SA), Colombia (Usme ZE SAS and Fontibon ZE SAS), Spain (Tecnatom SA) and Zambia (Ngonye Power Company Limited).

In the 3rd Quarter of 2022, the Brazilian company CGT Fortaleza, previously classified as held for sale, was sold.



## Equity and liabilities

### 7.d Equity attributable to the owners of the Parent – €30,346 million

The increase of €693 million in the first nine months of 2022 in equity attributable to the owners of the Parent mainly reflects profit for the period (€1,759 million) and the strengthening of foreign currencies against the euro, which produced an in-

crease of €2,492 million in the translation reserve, net of dividends assigned in the first nine months of 2022 in the amount of €2,010 million and the negative impact of OCI reserves (€1,552 million), notably the cash flow hedge reserves.

### 7.e Non-current liabilities – €116,179 million

*Long-term borrowings* amounted to €68,693 million (€54,500 million at December 31, 2021). They consist of bonds totaling €47,130 million (€39,099 million at December 31, 2021), and bank and other borrowings of €21,563 million (€15,401 million at December 31, 2021). The item increased by €14,193 million, essentially due to:

- an increase of €8,031 million in bonds, mainly connected with the new issues carried out in the period, comprising above all multitranche issues of “sustainability-linked bonds” by Enel Finance International, as well as adverse exchange rate developments (€2,515 million). These factors were partially offset by the reclassification of the short-term portion (€2,666 million);
- an increase of €6,131 million in bank borrowings, mainly reflecting new borrowing and the use of revolving and non-revolving credit lines by Enel SpA and the Endesa Group.

*Provisions and deferred tax liabilities* amounted to €20,223 million at September 30, 2022 (€19,180 million at December 31, 2021) and include:

- post-employment and other employee benefits totaling €2,415 million, down €309 million on December 31, 2021. The change is largely associated with the updating of actuarial assumptions by the Group at June 30, 2022 for the benefit plans of the Italian, Spanish and Latin American companies in response to the substantial changes in macroeconomic variables, notably interest rates and consumer price inflation;
- provisions for risks and charges amounting to €9,240 (of which €2,609 million at short term). The item includes, among others, the litigation provision in the amount of €738 million (€834 million at December 31, 2021), the nuclear decommissioning provision in the amount of €597 million (€666 million at December 31, 2021), the plant retirement and site restoration provision in the amount of €3,080 million (€3,269 million at December 31, 2021), the provision for taxes and duties in the amount of €326 million (€295 million at December 31, 2021), the provision for environmental certificates of €1,746 million (€32 million at December 31, 2021), the provision for early retirement incentives and other restructuring plans of €476 million

(€728 million at December 31, 2021), which is mainly attributable to Spain and Italy, and includes the estimated charges related to binding agreements for the voluntary termination of employment contracts in response to organizational needs, and the provision for restructuring programs connected with the energy transition of €1,127 million (€1,331 million at December 31, 2021), which represents the estimated costs that the Group has provisioned to accelerate the energy transition process for all direct and indirect activities related to the review of processes and operating models and the roles and skills of employees.

The main changes in provisions for risks and charges in the first nine months of the year are mainly attributable to allocations in the period to provisions for environmental charges, mainly in Italy and Spain, as a result of the increase in thermal generation.

Utilization for the period is mainly accounted for by Italy and Spain for provisions for termination incentives and other restructuring plans and provisions for restructuring programs connected with the energy transition;

- deferred tax liabilities amounting to €11,177 million (€9,259 million at December 31, 2021), with the increase of €1,918 million mainly attributable to developments in the fair value of cash flow hedge derivatives and the impact of exchange differences in Latin America.

*Other non-current liabilities* amounted to €27,263 million (€14,198 million at December 31, 2021), an increase of €13,065 million, which largely reflected:

- an increase of €12,739 million in other financial liabilities, essentially regarding the fair value of financial derivatives designated as cash flow hedges (€9,542 million) and the fair value of financial derivatives at FVTPL (€2,969 million);
- an increase of €326 million in other liabilities, which mainly includes liabilities in respect of tax partnerships and the recognition of the liability for the outcome of the PIS/COFINS dispute in Brazil (discussed under “Other non-current assets”). That liability is also affected by developments in the euro exchange rate against the Brazilian real and the US dollar.

## 7.f Current liabilities – €104,900 million

Short-term borrowings and current portion of long-term borrowings increased by €9,915 million. The change reflected:

- an increase of €9,665 million in short-term borrowings, mainly regarding:
  - an increase in commercial paper (€3,562 million);
  - an increase in short-term bank borrowings (€2,563 million);
  - an increase in cash collateral and other financing for

derivatives transactions (€2,054 million);

- an increase in revolving and non-revolving bank credit lines (€1,506 million);
- an increase of €250 million in the current portion of long-term borrowings, due essentially to an increase in the current portion of bonds (€316 million), partially offset by a decline in the current portion of bank borrowings (€47 million) and of other borrowings (€19 million).

Other current liabilities break down as follows:

Millions of euro	at Sept. 30, 2022	at Dec. 31, 2021	Change	
Amounts due to customers	1,952	1,950	2	0.1%
Amounts due to institutional market operators	2,575	2,961	(386)	-13.0%
Current financial liabilities	42,286	25,232	17,054	67.6%
Amounts due to employees and social security institutions	623	675	(52)	-7.7%
Tax liabilities	3,617	1,986	1,631	82.1%
Other	8,068	8,658	(590)	-6.8%
<b>Total</b>	<b>59,121</b>	<b>41,462</b>	<b>17,659</b>	<b>42.6%</b>

The change in the period is essentially due to:

- an increase in “current financial liabilities”, largely attributable to derivatives at FVTPL (€13,976 million) and derivatives designated as cash flow hedges (€2,918 million);
- an increase in “tax liabilities”, primarily regarding Italy and attributable to liabilities for value-added tax as well

as estimated income taxes for the period, taking account of periodic settlement procedures;

- a reduction in “other” liabilities, mainly attributable to the payment of dividends during the first nine months of 2022, partially offset by the increase in the current portion of provisions for environmental certificates recorded in Italy and Spain.

## 7.g Liabilities included in disposal groups classified as held for sale – €2,541 million

The balance at September 30, 2022 includes the liabilities connected with companies held for sale in Russia (PJSC Enel Russia), Brazil (Celg-D), Chile (Enel Transmisión Chile

SA), Colombia (Usme ZE SAS and Fontibon ZE SAS) and Zambia (Ngonye Power Company Limited).

## 8. Net financial position

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, the following table reports the net financial position

at September 30, 2022 and December 31, 2021, reconciled with net financial debt as prepared in accordance with the presentation procedures of the Enel Group.

Millions of euro				
	at Sept. 30, 2022	at Dec. 31, 2021	Change	
<b>Liquidity</b>				
Cash and cash equivalents on hand	27	8	19	-
Bank and post office deposits	5,690	8,118	(2,428)	-29.9%
<b>Cash</b>	<b>5,717</b>	<b>8,126</b>	<b>(2,409)</b>	<b>-29.6%</b>
<b>Cash equivalents</b>	<b>767</b>	<b>732</b>	<b>35</b>	<b>4.8%</b>
Securities	85	88	(3)	-3.4%
Short-term loan assets	13,319	6,841	6,478	94.7%
Current portion of long-term loan assets	2,695	1,538	1,157	75.2%
<b>Other current financial assets</b>	<b>16,099</b>	<b>8,467</b>	<b>7,632</b>	<b>90.1%</b>
<b>Liquidity</b>	<b>22,583</b>	<b>17,325</b>	<b>5,258</b>	<b>30.3%</b>
<b>Current financial debt</b>				
Bank borrowings	(5,332)	(1,329)	(4,003)	-
Commercial paper	(14,270)	(10,708)	(3,562)	-33.3%
Other current financial debt <sup>(1)</sup>	(3,372)	(1,281)	(2,091)	-
<b>Current financial debt (including debt instruments)</b>	<b>(22,974)</b>	<b>(13,318)</b>	<b>(9,656)</b>	<b>-72.5%</b>
Bank borrowings (current portion)	(942)	(989)	47	4.8%
Bonds issued (current portion)	(3,016)	(2,700)	(316)	-11.7%
Other borrowings (current portion)	(323)	(342)	19	5.6%
<b>Current portion of non-current financial debt</b>	<b>(4,281)</b>	<b>(4,031)</b>	<b>(250)</b>	<b>-6.2%</b>
<b>Current financial debt</b>	<b>(27,255)</b>	<b>(17,349)</b>	<b>(9,906)</b>	<b>-57.1%</b>
<b>Net current financial debt</b>	<b>(4,672)</b>	<b>(24)</b>	<b>(4,648)</b>	<b>-</b>
<b>Non-current financial debt</b>				
Borrowings from banks and financial institutions	(18,710)	(12,579)	(6,131)	-48.7%
Other borrowings <sup>(2)</sup>	(2,982)	(2,942)	(40)	-1.4%
<b>Non-current financial debt (excluding current portion and debt instruments)</b>	<b>(21,692)</b>	<b>(15,521)</b>	<b>(6,171)</b>	<b>-39.8%</b>
<b>Bonds</b>	<b>(47,130)</b>	<b>(39,099)</b>	<b>(8,031)</b>	<b>-20.5%</b>
<b>Trade payables and other non-interest-bearing debt with a significant financing component</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-current financial debt</b>	<b>(68,822)</b>	<b>(54,620)</b>	<b>(14,202)</b>	<b>-26.0%</b>
<b>Financial assets in respect of "Assets classified has held for sale"</b>	<b>271</b>	<b>85</b>	<b>186</b>	<b>-</b>
<b>Financial liabilities in respect of "Liabilities included in disposal groups classified as held for sale"</b>	<b>(684)</b>	<b>(784)</b>	<b>100</b>	<b>12.8%</b>
<b>Net financial debt as per CONSOB instructions</b>	<b>(73,907)</b>	<b>(55,343)</b>	<b>(18,564)</b>	<b>-33.5%</b>
<b>Long-term financial receivables and securities</b>	<b>3,758</b>	<b>2,692</b>	<b>1,066</b>	<b>39.6%</b>
<b>(-) Financial assets in respect of "Assets classified has held for sale"</b>	<b>(271)</b>	<b>(85)</b>	<b>(186)</b>	<b>-</b>
<b>(-) Financial liabilities in respect of "Liabilities included in disposal groups classified as held for sale"</b>	<b>684</b>	<b>784</b>	<b>(100)</b>	<b>-12.8%</b>
<b>NET FINANCIAL DEBT</b>	<b>(69,736)</b>	<b>(51,952)</b>	<b>(17,784)</b>	<b>-34.2%</b>

(1) Includes current financial liabilities in respect of the Spanish electric system to finance the deficit of the system of regulated assets in the amount of €3 million at September 30, 2022 (€12 million at December 31, 2021). Those liabilities are included under "Other current liabilities" in the consolidated statement of financial position.

(2) Includes non-current financial liabilities in respect of the Spanish electric system to finance the deficit of the system of regulated assets in the amount of €129 million at September 30, 2022 (€120 million at December 31, 2021). Those liabilities are included under "Other non-current liabilities" in the consolidated statement of financial position.

Note that this statement of the net financial position does not include financial assets and liabilities in respect of derivatives, as derivative contracts not designated as hedges are nevertheless entered into by the Group essentially for hedging purposes. In particular, at September 30, 2022 the Group recognized: “non-current financial derivative assets” of €13,109 million (€2,772 million at December 31,

2021), “current financial derivative assets” of €40,554 million (€22,791 million at December 31, 2021), “non-current financial derivative liabilities” of €16,047 million (€3,339 million at December 31, 2021) and “current financial derivative liabilities” of €41,501 million (€24,607 million at December 31, 2021).

# 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, maintaining institutional relations and social projects.

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 nine months of 2022 and 2021 and outstanding at September 30, 2022 and December 31, 2021.

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group	Other	Total first nine months 2022	Associates and joint arrangements	Overall total first nine months 2022	Total in financial statements	% of total
<b>Income statement</b>										
Total revenue	-	5,645	78	3,295	155	9,173	185	9,358	108,177	8.7%
Financial income	-	-	-	-	-	-	148	148	8,474	1.7%
Electricity, gas and fuel	6,061	13,528	-	3,224	2	22,815	301	23,116	77,682	29.8%
Services and other materials	-	154	2	2,517	27	2,700	165	2,865	15,270	18.8%
Other operating expenses	7	106	-	21	-	134	1	135	3,561	3.8%
Net results from commodity contracts	-	-	-	36	-	36	1	37	2,103	1.8%
Financial expense	-	-	4	5	-	9	21	30	10,197	0.3%

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group	Other	Total at Sept. 30, 2022	Associates and joint arrangements	Overall total at Sept. 30, 2022	Total in financial statements	% of total
<b>Balance sheet</b>										
Other non-current asset	-	-	-	93	-	93	1,473	1,566	38,097	4.1%
Trade receivables	-	437	8	975	52	1,472	203	1,675	21,073	7.9%
Other current assets	-	5	53	73	3	134	284	418	64,721	0.6%
Long-term borrowings	-	-	-	491	-	491	332	823	68,693	1.2%
Other non-current liabilities	-	-	-	229	8	237	10	247	27,263	0.9%
Short-term borrowings and current portion of long-term borrowings	-	-	-	89	-	89	25	114	27,252	0.4%
Trade payables	2,666	654	5	1,498	6	4,829	106	4,935	18,527	26.6%
Other current liabilities	-	-	1	80	29	110	4	114	59,121	0.2%
<b>Other information</b>										
Guarantees given	-	20	-	11	55	86	-	86		
Guarantees received	-	-	-	135	36	171	-	171		
Commitments	-	-	-	415	-	415	-	415		

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group	Other	Total first nine months 2021	Associates and joint arrangements <sup>(1)</sup>	Overall total first nine months 2021	Total in financial statements	% of total
<b>Income statement</b>										
Total revenue	-	1,511	207	2,062	158	<b>3,938</b>	286	<b>4,224</b>	<b>58,794<sup>(2)</sup></b>	<b>7.2%</b>
Financial income	-	-	-	-	1	<b>1</b>	70	<b>71</b>	<b>4,069<sup>(2)</sup></b>	<b>1.7%</b>
Electricity, gas and fuel	2,273	3,149	-	1,818	-	<b>7,240</b>	166	<b>7,406</b>	<b>30,395</b>	<b>24.4%</b>
Services and other materials	-	38	1	2,089	32	<b>2,160</b>	115	<b>2,275</b>	<b>13,790</b>	<b>16.5%</b>
Other operating expenses	4	165	-	8	1	<b>178</b>	-	<b>178</b>	<b>2,017</b>	<b>8.8%</b>
Net results from commodity contracts	-	-	-	2	-	<b>2</b>	7	<b>9</b>	<b>996</b>	<b>0.9%</b>
Financial expense	-	-	-	7	2	<b>9</b>	17	<b>26</b>	<b>5,960</b>	<b>0.4%</b>

(1) The figures includes Open Fiber SpA.

(2) For comparative purposes only, €139 million in the first nine months 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 quarterly financial statements at September 30, 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 (available at <https://www.enel.com/investors/governance/bylaws-rules-policies/> in both the version in effect until June 30, 2021 and that amended by the Board of Directors in June 2021, which took effect from July 1, 2021) 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 first nine months 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 summarized below.

Millions of euro			
	at Sept. 30, 2022	at Dec. 31, 2021	Change
<b>Guarantees issued:</b>			
- sureties and other guarantees granted to third parties	4,893	4,937	(44)
<b>Commitments to suppliers for:</b>			
- electricity purchases	87,272	71,244	16,028
- fuel purchases	88,761	58,042	30,719
- various supplies	3,148	1,631	1,517
- tenders	5,469	4,668	801
- other	11,203	6,187	5,016
<b>Total</b>	<b>195,853</b>	<b>141,772</b>	<b>54,081</b>
<b>TOTAL</b>	<b>200,746</b>	<b>146,709</b>	<b>54,037</b>

Commitments for electricity amounted to €87,272 million at September 30, 2022, of which €22,638 million refer to the period October 1, 2022-2026, €22,008 million to the period 2027-2031, €17,244 million to the period 2032-2036 and the remaining €25,382 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 (given that fuel prices

vary and are mainly set in foreign currencies). At September 30, 2022 they amounted to €88,761 million, of which €13,400 million refer to the period October 1, 2022-2026, €54,780 million to the period 2027-2031, €11,615 million to the period 2032-2036 and the remaining €8,966 million beyond 2036. "Other" primarily includes commitments for environmental compliance and the increase in 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 pursuant 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. At this hearing, the court upheld the objection raised by the defense that the preliminary hearing of October 22, 2021, held without the necessary presence of the parties, as well as the instrument ordering committal for trial, should be

declared void, submitting the trial documentation to the Court of Lecce, before which a new preliminary hearing was held on September 23, 2022, in which the defendants' request for a summary judgment was granted. At the following hearing of October 7, 2022, the court issued its ruling acquitting all of the defendants of the charges because "the alleged offense did not occur". The ruling also acquitted Enel Produzione SpA as the administrative offense alleged under the provisions of Legislative Decree 231/2001 had not occurred as there were no predicate offenses, in conformity with the position of the Public Prosecutor and the defense.

### Brindisi Sud thermal generation plant – Criminal proceedings against Enel employees – Italy

With regard to the referral of proceeding ordered with the ruling of the Court of Cassation of October 1, 2020, concerning the criminal proceeding involving Enel Produzione – cited as a liable party in civil litigation – and a number of employees of the company, accused of causing criminal damage and dumping of hazardous substances with regard to the alleged contamination of land adjacent to the Brindisi Sud generation plant with coal dust, with decree of June 15, 2021, the accused were summoned to appear

before the mixed criminal section of the Court of Appeal of Lecce for the hearing of July 14, 2021, subsequently postponed to September 8, 2021, date on which the public prosecutor and the civil parties presented their arguments. At the hearing of November 10, 2021, the court acquitted the defendants for not having committed the offense and consequently revoked the civil rulings. The decision is now definitive.

### Enel, Enel Energia and Servizio Elettrico Nazionale antitrust proceeding – Italy

With regard to the proceeding before the Council of State with which Enel SpA (Enel), Enel Energia SpA (EE) and Servizio Elettrico Nazionale SpA (SEN) challenged the measure of December 20, 2018 with which the Competition Authority (the Authority) levied a fine of €93,084,790.50 (subsequently recalculated by the Authority at €27,529,786.46 following the ruling of first instance issued by the Lazio Regional Administrative Court), a decision of May 12, 2022

closed the proceeding with which a preliminary ruling was requested from the Court of Justice of the European Union (CJEU) pursuant to Article 267 of the TFEU, formulating a number of questions aimed at clarifying the interpretation of the concept of "abuse of a dominant position" to be applied to the present case. The public hearing before the Council of State for arguments and a ruling on the merits of the appeal was therefore set for November 17, 2022.

## Hydroelectric concessions – Italy

Italian regulations governing large-scale hydroelectric concessions were 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 valorization of the assets and works connected to them to be transferred to the new concession holder. This legislation also introduced a number of changes in the matter of concession fees, establishing a fixed and variable component of fees, as well as 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). In implementation of this national law and under specific enabling authority, various regions (Lombardy, Piedmont, Emilia-Romagna, Friuli-Venezia Giulia, the Province of Trento, Calabria and Basilicata) enacted regional laws.

In the view of Enel Green Power Italia and Enel Produzione, both the national law and the regional implementing legislation violate Community principles and constitutional principles such as property rights, the principle of legal certainty, the principle of proportionality and legitimate expectations and the freedom of enterprise. In particular, the rules do not expressly provide for the transfer of the business unit from the outgoing to the successor concession holder, and also establish inadequate criteria for the valorization of the works to be transferred, which threatens to create what is essentially a mechanism for expropriation, in violation of constitutional principles.

The provision for the payment of the new dual-component fee and the obligation to supply free electricity for the existing holders of current concessions entails the introduction in the concession relationships of an unexpected and unreasonable element of significant financial imbalance, in clear violation of the principle of reasonableness and proportionality of the fee that constitutional case law has established must be respected in the event that changes worsening the position of a party are introduced in the context of long-term relationships.

Enel Green Power Italia and Enel Produzione challenged

the first implementing acts issued under the individual regional laws and the subsequent payment notices of fees and the monetization of free electricity supplies before the Regional Administrative Court and Regional Water Resources Court (of Lombardy, Piedmont and Emilia-Romagna), asking that they be declared void and raising the question of constitutional illegitimacy of both the national law and the regional laws. A number of the courts petitioned (the Piedmont Regional Administrative Court and the Lombardy Regional Administrative Court) issued rulings, upheld by the Council of State, deferring their jurisdiction in favor of the Superior Public Water Resources Court, before which the proceedings were repeated.

The government challenged a number of the regional implementing laws before the Constitutional Court, claiming the violation of various constitutional principles. Enel Green Power Italia participated in the aforementioned proceedings concerning constitutional legitimacy undertaken by the government against the Province of Trento and the Regions of Lombardy, Piedmont and Basilicata. The trade associations (Utilitalia and Elettricità Futura) also presented briefs in the context of the proceedings brought before the Constitutional Court by the government. In addition, other sector operators have proposed legal actions against the implementing measures issued under the individual regional laws, requesting that they be declared void.

With regard to the constitutionality proceeding filed before the Constitutional Court against the Regional Law of Lombardy, the Council of Ministers decided to abandon its appeal of Lombardy Regional Law 5/2020, “as the Lombardy Region, with a subsequent regional law, has amended the provisions involved in the challenge that enable us to consider the complaint of illegitimacy to have been superseded”. However, these changes did not affect the constitutionality issues raised by Enel in its accompanying appeal. It is reasonable to believe that, following the formal acceptance by the Region of the government’s withdrawal of its action, the Constitutional Court will declare the proceeding extinct, with the consequent forfeiture of Enel’s action as well.

## BEG litigation

### Italy

With regard to the suit filed by Enel SpA (Enel) and Enelpower 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 jurisdictions, 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 Enelpower, with an order of June 14, 2022, notified on the same date, ruling on the initial hearing of the parties on May 24, 2022, the Court of Milan declared it lacked jurisdiction to hear the dispute, finding that it should be heard by the Court of Rome, and ordered BEG to pay court costs for the defendants.

### 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, following the rejection of the *requête en radiation* submitted by the companies, has been postponed to December 30, 2022.

With regard to the proceeding initiated by the Enel companies aimed at obtaining release of the precautionary attachments granted to ABA and which are no longer valid as a result of the appeal ruling, with an order of June 16, 2022, the Court of Paris ordered the release of the precautionary attachments and ordered to ABA to pay Enel €139,400.85 in damages and €7,000.00 in legal costs. On August 3, 2022, ABA appealed the order of June 16, 2022. Enel and Enelpower are taking all legal actions to challenge this appeal.

## 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 incentive 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 and with an order of June 1, 2022, the CJEU allowed that participation. Endesa Generación then filed its briefs in the proceedings initiated by Naturgy and EDP España on July 8 and 13, 2022, respectively.

## GNL Endesa Generación SA arbitration proceeding

In the course of an arbitration proceeding to review the price of a long-term supply contract for liquefied natural gas (LNG) initiated by Endesa Generación SA, the defendant, an LNG production company, filed a counterclaim demanding payment of some \$1 billion (about €1.02 billion). The amount of the claim could be revised by the plaintiff

depending on market developments in the months before the completion of arbitration proceeding, which is scheduled for the 2nd Quarter of 2023. The company believes that this counterclaim is unfounded and late and external legal counsel believes it is highly unlikely to be upheld.

## 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. On April 19, 2022 Cibran filed a new appeal (*recurso extraordinário*), which was denied in a ruling of May 13, 2022, which Cibran has appealed, with the proceeding currently pending.

The amount involved in all the disputes is estimated at about R\$681 million (about €125 million).

## AGM-Funac litigation - Brazil

Suits filed by a number of municipal governments in the state of Goiás to obtain the restitution of ICMS (*Imposto 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\$784 million (about €143 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\$419 million (about €77 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\$397 million (about €73 million). The total amount involved in the suits is equal to about R\$3.97 billion (about €717 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. On July 20, 2022, the Public Prosecutor submitted its arguments, asking for the proceeding to be dismissed without entering into the merits.

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.

## União de Trabalhadores das Industrias Urbanas do Estado de Goiás dispute – Brazil

A trade union, representing some 1,685 employees, has sued Enel Distribuição Goiás to obtain payment of pay differences in an unspecified amount to be determined in a subsequent quantification procedure to take place following the outcome of trial court ruling. Enel Distribuição Goiás obtained a favorable decision in the court of first instance, which was subsequently modified on appeal with a measure confirmed by the *Tribunal Regional do Trabalho*. More specifically, after the court of first instance denied the union's request, accepting the company's arguments,

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.

in the appeal, the *Tribunal Regional do Trabalho* amended the decision, basing its ruling on its own previous case law regarding the full payment of wage differences, even in the case of partial fulfillment of the contract. The extraordinary appeal lodged by Enel Distribuição Goiás before the *Tribunal Superior do Trabalho* concerning this latter ruling is currently pending and a decision is pending. The amount involved in all the disputes is estimated at about R\$1 billion (about €185 million).

## Socrel – Brazil

Enel Distribuição São Paulo has been sued by Serviços de Eletricidade e Telecomunicações Ltda (Socrel) for damages for losses caused by an alleged unlawful termination of contract that involved a series of contracts between the

parties. Following an appraisal issued during the trial, Socrel's claim was quantified at R\$ 288.4 million (about €55 million). The proceeding is currently pending before the trial court.

## Extraordinary 2022 rate revision (Ceará) – Brazil

On April 19, 2022, the *Agência Nacional de Energia Elétrica* (ANEEL) issued Resolution no. 3.026/2022 with which it authorized an average 24.85% rate increase for 2022 for the electricity distribution services performed by Enel Distribuição Ceará. Both private individuals and public institutions have challenged this resolution before the Federal Regional Court of the district of Ceará, for a total of six proceedings requesting, on precautionary basis, the cancellation of the effects of the resolution and, on a permanent basis, the voidance of the resolution itself, arguing that the rate increase is illegitimate. In all proceedings, Enel Distribuição Ceará has contested the petitioners' claims, arguing the

legitimacy of the rate adjustment. On June 21, 2022, the Federal Regional Court rejected the precautionary request and joindered the six proceedings in a single proceeding in consideration of fact that the relief sought and the cause of action are the same. On September 23, 2022, as part of its defense, Enel Distribuição Ceará also submitted that, as a result of certain legislative measures, the rate had been reduced following an extraordinary rate review and a reduction in taxes. The trial proceeding continues. The related impact has been quantified internally on a preliminary basis at about R\$1.2 billion (about €238 million).

## GasAtacama Chile – Chile

The preliminary phase has begun in the proceedings – subsequently joindered – initiated by a number of operators of the *Sistema Interconectado del Norte Grande* (SING), including Aes Gener SA, Eléctrica Angamos SA and Engie Energía Chile SA against GasAtacama Chile seeking

damages of about €58 million (the former) and about €141 million (the latter two), which have recently been revived by the plaintiffs following a period of suspension ordered in response to the COVID-19 pandemic.

## El Quimbo – Colombia

With regard to one of the *acciones populares*, or class action lawsuits, concerning the El Quimbo project for the construction by Emgesa (now Enel Colombia) of a 400 MW hydroelectric plant in the region of Huila (Colombia) filed in 2008 by a number of residents of the area demanding, among other things, that the environmental permit be suspended, on September 11, 2020, the Huila Court issued a

partially unfavorable ruling against Emgesa, ordering it to fulfill the obligations already provided for in the environmental license. Both the *Autoridad Nacional de Licencias Ambientales* (ANLA) and Emgesa appealed this ruling before the Council of State. On September 20, 2022, ANLA's appeal was rejected for having been filed late. The proceeding involving Emgesa's appeal is continuing.

## 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 (now Enel Colombia) seeking restitution of allegedly excess rates, the enquiry stages 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).

## Chucas arbitration – Costa Rica

With regard to the arbitration proceedings undertaken by PH Chucas SA (Chucas) before the *Cámara Costarricense-Norteamericana de Comercio* (AMCHAM CICA) against the *Instituto Costarricense de Electricidad* (ICE), on May 19, 2021, Chucas filed its arbitration request complete with a preliminary claim for about \$362 million (approximately €305 million). On June 23, 2021, ICE filed its reply, in which it reiterated its assertion of lack of jurisdiction and challenged Chucas's claims, without making a counterclaim. On August 4, 2021, the arbitration tribunal rejected ICE's claim

of lack of jurisdiction and the matter has now been submitted for consideration to the first section of the Supreme Court. The arbitration proceedings were suspended. With a measure of May 12, 2022, subsequently notified on July 28, 2022, the first section of the Supreme Court ruled that the arbitration tribunal was incompetent to hear the dispute. On August 8, 2022, Chucas filed an extraordinary appeal against this ruling. The arbitration proceeding is suspended.

## Kino arbitration – Mexico

With regard to 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 (Kino Facilities) and Enel SpA for breach of two contracts regarding solar projects owned by the actors, the financial claim of the counterparties has been updated to about \$135 million, while Kino Facilities has not continued its counter-claim. The preliminary phase of the arbitration proceeding is continuing.

## Allianz – North America

On May 18, 2022, High Lonesome Wind Project LLC was sued in New York Superior Court by Allianz Risk Transfer Ltd for about \$203 million concerning an alleged liability accrued by the company, as of February 2020, in connection

with a Proxy Revenue Swap. The claim is being contested in its entirety. The proceedings are currently reassigned to the Southern District Court in New York.

## Gastalsa – Peru

In February 2022, Enel Generación Piura SA (EGPIURA) learned of a precautionary measure issued by the Civil Court of Talara of the Superior Court of Justice of Sullana (*Juzgado Civil de Talara de la Corte Superior de Justicia de Sullana*) in favor of Empresa de Gas de Talara SA (Gastalsa) which orders the *Dirección General de Hidrocarburos del Ministerio de Energía y Minas*, the *Organismo Superior de la Inversión en Energía y Minería* (Osinergmin) and the Ministry of Energy to: (i) restore the natural gas concession of the Parinas district, the Province of Talara and the Department of Piura in favor of Gastalsa; and (ii) proceed with the upgrade and transfer of the pipelines to Gastalsa. The above meant that the economic value of the gas pipeline, currently owned by EGPIURA (which supplies natural gas to the Malacas thermal power station) would be estimated for transfer to Gastalsa. Given the nature of the dispute, the potential economic impact cannot be determined at the present time.

On August 2, 2022, the *Sala Civil de la Corte Superior de Justicia de Sullana* issued the ruling on the appeal – initiated by Gastalsa to revoke the measure that canceled the concession granted to it and the consequent transfer of the gas pipeline owned by EGPIURA to Gastalsa itself – denying Gastalsa's petition. As a result, on September 9, 2022, EGPIURA was notified of the enforcement measure revoking the precautionary measure issued earlier, ordering the *Dirección General de Hidrocarburos del Ministerio de Energía y Minas*, Osinergmin, and the Ministry of Energy to revoke the effects of the precautionary measure.

In the meantime, in July 2022, the Constitutional Court had granted the petition of the system operator, an interested third party, acknowledging that the original petition of Gastalsa had been filed after the time limit.

## 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, in the appeal filed by VV, currently pending before the Bratislava Court of Appeal following referral by the Bratislava Supreme Court, on October 12, 2022 the Bratislava Court of Appeal issued a definitive ruling upholding the sentence of the court of first instance denying VV's petition.

With regard to the suits filed by VV against Slovenské elektrárne (SE) for alleged unjustified enrichment (estima-

ted 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 (subsequently postponed to October) and November 2022.

## Tax litigation in Brazil

### PIS/COFINS/ICMS – Enel Distribuição São Paulo

In March 2017, the *Supremo Tribunal Federal* of Brazil (STF) ruled on the calculation of the PIS and COFINS taxes, confirming the argument that the ICMS (*Imposto sobre Circulação de Mercadorias e Serviços*, tax on the circulation of goods and services) was not included in the calculation basis of the PIS and COFINS.

In May 2021, the STF established that the ruling would have effect from the judgment of March 2017, except for taxpayers who had filed an appeal before that date.

The Group's Brazilian companies affected by the STF ruling had already initiated legal action in their respective federal regional courts. Subsequently, the latter notified them of the final decision, recognizing the right to deduct the ICMS applied to their operations from the calculation basis of the PIS and COFINS. Since the excess payment of the PIS and COFINS taxes had been transferred to final customers,

at the same time as the recognition of these recoverable taxes, a liability in respect of those customers was recognized in the same amount, net of any costs incurred or to be incurred in the legal proceedings. These liabilities represent an obligation to reimburse the recovered taxes to final customers.

In this regard, Enel Distribuição São Paulo initiated two proceedings that led to rulings in its favor. These regarded the periods from December 2003 to December 2014 and from January 2015 onwards. With regard to the second proceeding, the Federal Union filed an action of rescission against the company, disputing the fact that part of the period in question (prior to March 2017) would be adversely impacted by the STF ruling of May 2021.

In May 2022, the company challenged this action and will defend its actions through the various levels of the court system.

The estimated amount involved in the proceeding at September 30, 2022 is about €215 million.

## Tax litigation in Spain

### Income tax – Enel Iberia, Endesa and subsidiaries

In 2018, the Spanish tax authorities completed a general audit involving the companies of the Group participating in the Spanish tax consolidation mechanism. This audit, which began in 2016, involved corporate income tax, value added tax and withholding taxes (mainly for the years 2012 to 2014).

With reference to the main claims, the companies involved have challenged the related assessments at the first administrative level (*Tribunal Económico-Administrativo Central* – TEAC), defending the correctness of their actions.

With regard to the disputes concerning corporate income tax, the issues for which an unfavorable outcome is considered possible amounted to about €133 million at September 30, 2022:

- i. Enel Iberia is defending the appropriateness of the criterion adopted for determining the deductibility of capital

losses deriving from stock sales (around €88 million) and certain financial expense (around €15 million);

- ii. Endesa and its subsidiaries are mainly defending the appropriateness of the criteria adopted for the deductibility of certain financial expense (about €24 million) and costs for decommissioning nuclear power plants (about €6 million).

In 2021, the Spanish tax authorities concluded a new general audit for the years from 2015 to 2018. The companies involved challenged the related assessments at the first level of administrative adjudication (TEAC), arguing that they had acted correctly.

In relation to the main dispute regarding corporate income tax, which concerned the deductibility of certain financial charges, the dispute for which an adverse outcome is considered possible has a value of about €230 million at September 30, 2022 (Enel Iberia €221 million and Endesa SA €9 million).



## Tax litigation in Italy

### Withholding tax - Enel Servizio Elettrico Nazionale

As a result of a tax audit initiated in March 2018 and following a subsequent investigation conducted with questionnaires submitted to the banks involved as assignees in certain transfers of receivables from Servizio Elettrico Nazionale SpA (SEN) in respect of mass market customers under a framework agreement, on December 19, 2018, the Revenue Agency - Regional Directorate of Lazio - Large Taxpayers Office, notified the company of an assessment in respect of the alleged violation of withholding tax obligations relating to the amounts paid to the banks as part of the aforementioned transfers in 2013.

In particular, the dispute arises from an assessment by the Office that: (i) reclassified, for tax purposes only, the assignment of receivables as a financing transaction; (ii) asserted an alleged withholding obligation for the company commensurate with the cost of the transaction (as the difference between the nominal value of the assigned receivables and the transfer price), reconstructing the subsequent transactions involving the assigned receivables

(further sales and/or securitizations with non-residents carried out by the banks), in which the company had no role.

In the first stages of the proceeding, which arose following SEN's appeal of the assessment, the company's objections concerning the illegitimacy of the Office's reclassification of the transaction for tax purposes and, consequently, of the payment flows were not upheld, despite significant procedural violations in the assessment activity.

The proceeding is currently pending before the Court of Cassation. In 2022, the conditions for a settlement arose, which the company decided to accept for the sole purpose of avoiding the continuation of the pending dispute concerning a matter characterized by interpretative uncertainty. This solution provides for an overall revision of the tax claim and the withdrawal of claims for subsequent years.

The settlement provides for the company to pay, by the end of this year, an amount of about €45 million, which was recognized under current liabilities at the end of the quarter.

## 12. Events after the reporting period

### New sustainability-linked bonds

On October 7, 2022, Enel SpA, acting through its subsidiaries Enel Finance International NV, a Dutch-registered finance company, and Enel Finance America LLC, a US-registered finance company, announced that it had issued sustainability-linked bonds in the total aggregate amount

of \$4.0 billion, equivalent to about €4.1 billion, aimed at institutional investors in the US and international markets. The bonds were issued separately in multiple tranches and will be guaranteed by Enel.

### General \$800 million sustainability-linked facility from EKF and Citi

On October 12, 2022, the Enel Group received a facility from Denmark's export credit agency, EKF, for up to \$800 million. The facility, organized by Citi, is based on the Group's worldwide business relationships with Danish

suppliers and is intended to provide a flexible instrument to support the development of wind energy and mitigate the effects of climate change, goals that are part of Enel's 2040 Net-Zero strategy.

### Disposal of entire stake in PJSC Enel Russia

Following up on the agreement of June 16, 2022, on October 12, 2022, Enel SpA finalized the sale of its entire stake in PJSC Enel Russia, equal to 56.43% of the latter's share capital, to PJSC Lukoil and the Closed Combined Mutual Investment Fund "Gazprombank-Frezia", for a total of about €137 million. The closing followed the fulfilment of all the conditions set out in the two separate contracts entered into with them, including approval of the transaction by the

President of the Russian Federation in accordance with paragraph 5 of Decree no. 520 of August 5, 2022.

The overall transaction had a positive impact on the consolidated net financial debt of the Enel Group of about €610 million and a negative impact on the Group's net profit of about €1.3 billion, mainly reflecting the release of the translation reserve of about €1.0 billion at September 30, 2022.

### Agreement for disposal of 50% of Gridspertise to CVC

On October 20, 2022, Enel SpA, acting through Enel Grids Srl, signed an agreement to sell 50% of its subsidiary Gridspertise Srl to the international private equity fund CVC Capital Partners Fund VIII (CVC).

The agreement provides for CVC to pay a total of about €300 million, equivalent to an enterprise value of €625 million (on a 100% basis). In addition, the agreement envisages

potential deferred payments that could bring the enterprise value up to €1 billion (on a 100% basis).

The transaction as a whole is expected to generate a positive impact on Enel Group EBITDA of about €500 million, with a positive effect on the Group's consolidated net financial debt of around €300 million.



# Declaration of the officer responsible for the preparation of the Company's 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 September 30, 2022 corresponds with that contained in the accounting documentation, books and records.



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**FOR A BRIGHTER FUTURE.**  
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Enel

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