



## PRESS RELEASE

### Global News Media

T +39 06 8305 5699  
ufficiostampa@enel.com  
gnm@enel.com  
enel.com

### Investor Relations

T +39 06 8305 7975  
investor.relations@enel.com  
enel.com

## ENEL: 13 BILLION EURO INVESTMENTS (+27.5%) IN 2021 TO ACCELERATE THE ENERGY TRANSITION, DIVIDEND AT 0.38 EURO PER SHARE (+6.1%)

### Main consolidated economic and financial data

- **Revenues:** 88,006 million euros (66,004<sup>1</sup> million euros in 2020, +33.3%)
  - *The positive change is attributable to all Business Lines, mainly due to the higher volumes of electricity produced and sold. The change also reflects the gain realized from the sale of the stake held in Open Fiber S.p.A. These effects were partially offset by the negative trend of exchange rates, mainly in Latin America*
- **Ordinary EBITDA:** 19,210 million euros (18,027<sup>2</sup> million euros in 2020, +6.6%)
  - *The increase is mainly attributable to Enel Green Power, for its operational growth due to higher production and the commissioning of new renewable plants; to Infrastructure and Networks, thanks to the increasing margin in Latin America alongside better performances associated with improved service quality and network digitalization in Europe; as well as to the aforementioned gain realized on the sale of Open Fiber S.p.A. These effects more than offset the lower margins of Thermal Generation and Trading connected to the price effect on hedging activities, certain tariff adjustments in Italy and Spain, as well as unfavorable exchange rate trends mainly in Latin America*
- **EBITDA:** 17,567 million euros (16,903<sup>2</sup> million euros in 2020, +3.9%)
- **EBIT:** 7,680 million euros (8,455<sup>2</sup> million euros in 2020, -9.2%)
  - *the change mainly reflects higher depreciation and amortization recorded for the investments made and the value adjustments recorded during the year compared to the previous year, the effects of which were only partially offset by the trend in operations*
- **Group net ordinary income:** 5,593 million euros (5,197 million euros in 2020, +7.6%)

<sup>1</sup> The 2020 figure has been adjusted, for comparative purposes only, to take into account the effects of the differing classification resulting from the measurement at fair value, at the end of the period, of outstanding contracts for the purchase and sale of commodities settled by physical delivery; this different classification did not have any effect on EBIT. Moreover, for comparative purposes only, a reclassification from financial income to revenues was made, for an amount of 87 million euros, of the component recognized in the income statement related to the remeasurement at fair value of financial assets related to service in concession of distribution activities in Brazil falling within the scope of IFRIC 12. This last classification had an effect of the same amount on EBIT.

<sup>2</sup> For comparative purposes only, the figure for 2020 has been adjusted due to the different classification mentioned above concerning the application of IFRIC 12 in Brazil.



- *the increase is attributable to the positive performance of ordinary operations and the lower impact of non-controlling interests, which more than offset the higher taxes recorded mainly due to the tax reforms in Argentina and Colombia*
- **Group net income:** 3,189 million euros (2,610 million euros in 2020, +22.2%)
- **Net financial debt:** 51,952 million euros (45,415 million euros in 2020, +14.4%)
  - *the rise is mainly due to capital expenditure for the period, the acquisition of an additional stake in Enel Américas and the adverse exchange rate effect. The positive cash flow generated by operations, the issuance of a non-convertible subordinated perpetual hybrid bond and the sale of the stake held in Open Fiber S.p.A., partially offset the financial needs associated with the abovementioned events*
- **Capital expenditure:** 12,997 million euros (10,197 million euros in 2020, +27.5%)
  - *the increase is mainly attributable to growth in capital expenditure in Infrastructure and Networks, Enel Green Power, End-User Markets and Enel X*
- **The total dividend** proposed for the entire financial year 2021 is 0.38 euros per share (of which 0.19 euros per share was already paid as an interim payment in January 2022), a 6.1% increase on the total dividend of 0.358 euros per share recognized for the full 2020 financial year

## 2021 results and objectives of the Group's strategic plan

### **Strategic objectives for 2021 achieved**

- Ordinary EBITDA at the higher end of the Group's guidance up by 7% compared to the 2020 result;
- Progress in the decarbonization process, with new renewable capacity built in 2021 exceeding 5.1 GW, including for the first time 220 MW of batteries, coupled with the progressive replacement of conventional generation plants with a reduction of 2 GW of coal-fired capacity;
- Progress on the Group's simplification process through the increase of Enel's stake, up to 82.3%, in the share capital of Enel Américas;
- Proposed total dividend for 2021 is 0.38 euros per share, 6.1% higher than the dividend paid in 2020.

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**Francesco Starace**, Enel Group CEO, stated: *"Enel's results for 2021 once again demonstrate the resilience and sustainability of our business model even in an increasingly complex scenario, characterized on the one hand by signs of post-pandemic recovery and on the other by the negative impacts of increasing fossil fuel prices. It is now clear that utilities have a key role in managing the rapid changes in the energy sector, and this is the direction in which our strategy is heading, focusing on decarbonization and electrification. In this way, we can seize opportunities along the entire value chain and at the same time contribute to energy independence in the countries where we operate. It is therefore key to accelerate investment in renewables, which provide a stable, secure and competitive source of energy and, together with the digitalization of networks and electrification of consumption, represent the solution to combat climate change. The validity of our strategy allows us to maintain our commitment to distribute a growing dividend to shareholders, based on a simple and transparent policy."*

**Rome, March 17<sup>th</sup>, 2022** - The Board of Directors of Enel S.p.A. ("Enel" or the "Company"), chaired by Michele Crisostomo, approved the 2021 results at today's meeting.



## Consolidated economic and financial data for 2021

### REVENUES

The following table reports revenues by **Business Line**:

Revenues ( <i>millions of euros</i> )	2021	2020 <sup>3</sup>	Change
Thermal Generation and Trading	33,155	21,736	52.5%
Enel Green Power	9,526	7,692	23.8%
Infrastructure and Networks	20,656	19,429	6.3%
End-User Markets	38,708	29,508	31.2%
Enel X	1,541	1,121	37.5%
Services	1,997	1,870	6.8%
Holding and Other	1,934	154	-
Eliminations and adjustments	(19,511)	(15,506)	-25.8%
<b>TOTAL</b>	<b>88,006</b>	<b>66,004</b>	<b>33.3%</b>

The following table shows detailed information from **Thermal Generation and Trading** relating solely to revenues from thermal and nuclear generation:

Revenues ( <i>millions of euros</i> )	2021	2020 <sup>3</sup>	Change
Revenues from thermal generation	13,501	7,517	79.6%
<i>of which: from coal-fired generation</i>	<i>1,904</i>	<i>1,639</i>	<i>16.2%</i>
Revenues from nuclear generation	1,403	1,360	3.2%
Revenues from thermal generation as a percentage of total revenues	15.3%	11.4%	
<i>of which: revenues from coal-fired generation as a percentage of total revenues</i>	<i>2.2%</i>	<i>2.5%</i>	
Revenues from nuclear generation as a percentage of total revenues	1.6%	2.1%	

<sup>3</sup> The 2020 figure has been adjusted, for comparative purposes only, to take into account the effects of the differing classification resulting from the measurement at fair value, at the end of the period, of outstanding contracts for the purchase and sale of commodities settled by physical delivery; this different classification did not have any effect on EBIT.

Moreover, for comparative purposes only, a reclassification from financial income to revenues was made, for an amount of 87 million euros, of the component recognized in the income statement related to the remeasurement at fair value of financial assets related to service in concession of distribution activities in Brazil falling within the scope of IFRIC 12. This last classification had an effect of the same amount on EBIT.



- **Revenues in 2021** amounted to 88,006 million euros, an increase of 22,002 million euros (+33.3%) compared with 2020. The increase is mainly attributable to an increase in revenues (i) from **Thermal Generation and Trading** in Italy, Iberia and Latin America as a result of higher volumes of electricity and gas sold and due to trading activities on commodities relating to contracts with physical delivery; (ii) from **End-User Markets**, due to the increase in the volumes of electricity sold, mainly in Italy; (iii) from **Infrastructure and Networks**, due to the greater volumes transported, as a result of the increase in the demand for electricity; (iv) from **Enel Green Power**, mainly in Italy, due to the greater volumes of energy produced, and in North America and Brazil following the entry into service of new plants; (v) from **Enel X** mainly in Italy and North America, due to services associated with new commercial initiatives and to demand response activities. The increase in revenues also includes the income, amounting to 1,763 million euros, resulting from the sale of the stake held in Open Fiber S.p.A. This increase in revenues more than offset the negative exchange rate trend mainly in Latin America.

Revenues in 2021 from thermal generation alone and included in the results of **Thermal Generation and Trading** amounted to 13,501 million euros, an increase of 5,984 million euros (+79.6%) compared with 2020. In particular, revenues from coal-fired generation in 2021 stand at 2.2% of total revenues. The percentage of revenues from coal-fired plants, following the company's strategic choices, is decreasing in line with the objectives of the fight against climate change.

- Revenues in **2021** and **2020** do not include any non-ordinary items.

## ORDINARY EBITDA and EBITDA

The following table reports ordinary EBITDA by **Business Line**:

Ordinary EBITDA ( <i>millions of euros</i> )	2021	2020 <sup>4</sup>	Change
Thermal Generation and Trading	1,702	2,230	-23.7%
Enel Green Power	4,815	4,721	2.0%
Infrastructure and Networks	7,663	7,801	-1.8%
End-User Markets	3,086	3,197	-3.5%
Enel X	298	161	85.1%
Services	79	94	-16.0%
Holding and Other	1,567	(177)	-
<b>TOTAL</b>	<b>19,210</b>	<b>18,027</b>	<b>6.6%</b>

The following table reports EBITDA by **Business Line**:

<sup>4</sup> For comparative purposes only, the figure for 2020 has been adjusted due to the different classification mentioned above concerning the application of IFRIC 12 in Brazil.



<b>EBITDA (millions of euros)</b>	<b>2021</b>	<b>2020<sup>5</sup></b>	<b>Change</b>
Thermal Generation and Trading	899	1,700	-47.1%
Enel Green Power	4,761	4,647	2.5%
Infrastructure and Networks	7,210	7,520	-4.1%
End-User Markets	2,990	3,121	-4.2%
Enel X	283	152	86.2%
Services	(86)	(47)	-83.0%
Holding and Other	1,510	(190)	-
<b>TOTAL</b>	<b>17,567</b>	<b>16,903</b>	<b>3.9%</b>

The following tables show the non-ordinary items leading 2021 and 2020 ordinary EBITDA to the EBITDA for the same financial years:

Millions of EUR		2021						
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-User Markets	Enel X	Services	Holding and Other	Total
<b>Ordinary EBITDA</b>	<b>1,702</b>	<b>4,815</b>	<b>7,663</b>	<b>3,086</b>	<b>298</b>	<b>79</b>	<b>1,567</b>	<b>19,210</b>
Charges for energy transition and digitalization	(795)	(47)	(423)	(94)	(15)	(160)	(56)	(1,590)
Costs related to COVID-19	(8)	(7)	(30)	(2)	-	(5)	(1)	(53)
<b>EBITDA</b>	<b>899</b>	<b>4,761</b>	<b>7,210</b>	<b>2,990</b>	<b>283</b>	<b>(86)</b>	<b>1,510</b>	<b>17,567</b>

Millions of EUR		2020 <sup>6</sup>						
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-User Markets	Enel X	Services	Holding and Other	Total
<b>Ordinary EBITDA</b>	<b>2,230</b>	<b>4,721</b>	<b>7,801</b>	<b>3,197</b>	<b>161</b>	<b>94</b>	<b>(177)</b>	<b>18,027</b>
Charges for energy transition and digitalization	(517)	(64)	(231)	(65)	(7)	(95)	(12)	(991)
Costs related to COVID-19	(13)	(10)	(50)	(11)	(2)	(46)	(1)	(133)
<b>EBITDA</b>	<b>1,700</b>	<b>4,647</b>	<b>7,520</b>	<b>3,121</b>	<b>152</b>	<b>(47)</b>	<b>(190)</b>	<b>16,903</b>

<sup>5</sup> For comparative purposes only, the figure for 2020 has been adjusted due to the different classification mentioned above concerning the application of IFRIC 12 in Brazil.

<sup>6</sup> For comparative purposes only, the figure for 2020 has been adjusted due to the different classification mentioned above concerning the application of IFRIC 12 in Brazil.



**Ordinary EBITDA in 2021** amounted to 19,210 million euros, an increase of 1,183 million euros compared to 2020 (+6.6%). This increase, which includes the gain realized on the sale of the stake held in **Open Fiber S.p.A.**, amounting to 1,763 million euros, is also attributable to:

- **Enel Green Power's** positive change of 94 million euros, mainly associated with (i) improved margins in Spain due to higher volumes produced and sold by wind and solar plants, as well as to the release of provisions previously made related to hydroelectric fees following the favorable outcome of a dispute, (ii) improved operating performance in North America and Brazil following the entry into operation of new plants, (iii) higher production in South Africa from new wind farms and (iv) due to the line-by-line consolidation of certain companies previously consolidated using the equity method in Australia. These effects more than offset the decrease in the margin in Chile, mainly due to lower production from hydropower sources, as a result of the country's low water availability;
- a 137 million euro increase in **Enel X**, predominantly in Italy and North America, due to improved service margins associated with new commercial initiatives and demand response activities.

The positive changes highlighted above more than offset:

- the decrease of 528 million euros in the margin from **Thermal Generation and Trading**, mainly derived from: (i) the recognition, during 2020, of the positive effect attributable to the change in the benefit of the energy discount in Spain, (ii) the price effect on hedging activities and (iii) the higher commodity costs in Chile. These elements more than offset the positive effect of the higher volumes produced in Italy, Spain and Latin America and the effect of the indemnity recognized in Spain in relation to the CO<sub>2</sub> emission rights;
- the negative change in **Infrastructure and Networks**, amounting to 138 million euros, where the negative impact of tariff adjustments in Italy, Spain and Romania, alongside the effect of the aforementioned change in the energy discount in Spain during 2020, more than offset: (i) the improvement in the margin in Latin America due to higher volumes of energy transported as well as to tariff adjustments; (ii) better performance in Europe associated with the improvement in service quality and with network digitalization;
- the negative change in **End-User Markets**, amounting to 111 million euros, where the lower margin recorded in Romania due to higher procurement costs and the decrease in the margin in Italy on the regulated market more than offset the increase in margins in the free market in Italy, Spain and Latin America, especially in Brazil, as a result of tariff adjustments and higher volumes sold.

Finally, there was a negative exchange rate effect, mainly in Latin America.

## EBIT

The following table reports EBIT by **Business Line**:

<b>EBIT (millions of euros)</b>	<b>2021</b>	<b>2020<sup>7</sup></b>	<b>Change</b>
Thermal Generation and Trading	(2,586)	15	-
Enel Green Power	3,082	2,734	12.7%
Infrastructure and Networks	4,348	4,349	-
End-User Markets	1,657	1,817	-8.8%

<sup>7</sup> For comparative purposes only, the figure for 2020 has been adjusted due to the different classification mentioned above concerning the application of IFRIC 12 in Brazil.



Enel X	30	(16)	-
Services	(323)	(226)	-42.9%
Holding and Other	1,472	(218)	-
<b>TOTAL</b>	<b>7,680</b>	<b>8,455</b>	<b>-9.2%</b>

**EBIT in 2021** amounted to 7,680 million euros, a decrease of 775 million euros (-9.2%) compared to 2020. Specifically, the positive change in operations commented above was more than offset by: (i) higher depreciation and amortization recorded in 2021 as a result of the investments made, mainly in Italy and Spain and (ii) value adjustments recorded during the year (2,912 million euros), mainly relating to the generation assets in the non-peninsular territory in Spain and the plant in Brindisi in Italy, compared with the previous year.

## GROUP NET ORDINARY INCOME and NET INCOME

(Millions of euros)

	2021	2020	Change	
<b>Group net ordinary income</b>	<b>5,593</b>	<b>5,197</b>	<b>396</b>	<b>+7.6%</b>
Charges for energy transition and digitalization	(1,839)	(1,020)	(819)	-80.3%
Value adjustment on power generation assets	(1,027)	(637)	(390)	-61.2%
Other impairments	(42)	(11)	(31)	-
Costs related to COVID-19	(36)	(86)	50	+58.1%
Impairment of certain assets relating to the sale of the interest in Slovenské elektrárne	540	(833)	1,373	-
<b>Group net income</b>	<b>3,189</b>	<b>2,610</b>	<b>579</b>	<b>+22.2%</b>

**In 2021, Group net ordinary income** amounted to 5,593 million euros, compared with 5,197 million euros in 2020, an increase of 396 million euros (+7.6%). The change is mainly attributable to: (i) the positive performance of the result from ordinary operations, (ii) the lower cost of debt and (iii) the lower non-controlling interests in Enel Américas as a result of the Group's reorganization operations in Latin America. These factors were only partially offset by (i) the financial charges related to the early maturity of certain loans replaced by new bond issues at more advantageous interest rates and (ii) the higher impact of taxes, mainly due to the effects of the tax reforms in Argentina and Colombia and the adjustment of deferred taxation in Spain.

## FINANCIAL POSITION

The financial position shows **net capital employed** at December 31<sup>st</sup>, 2021, including 280 million euros of net assets held for sale, equal to **94,294 million euros** (87,772 million euros at December 31<sup>st</sup>, 2020).

This amount is funded by:

- **equity**, including non-controlling interests, for **42,342 million euros** (42,357 million euros at





December 31<sup>st</sup>, 2020);

- **net financial debt for 51,952 million euros** (45,415 million euros at December 31<sup>st</sup>, 2020). The increase in net financial debt of 6,537 million euros (+14.4%), is mainly attributable to: (i) capital expenditure in the period (13,108<sup>8</sup> million euros), (ii) the payment of dividends related to the 2020 financial year totaling 5,041<sup>9</sup> million euros, (iii) the acquisition of an additional stake in Enel Américas as a result of the voluntary partial tender offer concluded in April 2021 for 1,271 million euros, (iv) the increase in debt for leasing transactions (479 million euros), (v) payments and debt consolidation related to business combinations in Australia, Spain and Italy totaling 283 million euros and (vi) the adverse exchange rate effect of approximately 1,918 million euros.

The positive cash flow generated by operations (10,069 million euros) and the liquidity generated by the issuance, for 2,214 million euros, of a non-convertible subordinated perpetual hybrid bond, the reclassification of previously issued bonds as hybrid capital instruments due to the amendment of the related terms and conditions (967 million euros) and the effect on the consolidated net financial debt from the sale of the Open Fiber S.p.A. stake for 2,423 million euros, partially offset the financial needs associated with the abovementioned events.

At December 31<sup>st</sup>, 2021, the **debt/equity ratio** came to **1.23** (1.07 at December 31<sup>st</sup>, 2020). The change essentially reflected the increase in debt detailed above.

## CAPITAL EXPENDITURE

The following table reports capital expenditure by **Business Line**:

<b>Capital expenditure (millions of euros)</b>	<b>2021</b>	<b>2020</b>	<b>Change</b>
Thermal Generation and Trading	822	694	18.4%
Enel Green Power	5,662	4,629	22.3%
Infrastructure and Networks	5,296	3,937	34.5%
End-User Markets	643	460	39.8%
Enel X	367	303	21.1%
Services	139	103	35.0%
Holding and Other	68	71	-4.2%
<b>TOTAL<sup>1</sup></b>	<b>12,997</b>	<b>10,197</b>	<b>27.5%</b>

<sup>1</sup> The 2021 figure does not include 111 million euros regarding units classified as “held for sale”.

**Capital expenditure amounted to 12,997 million euros** in 2021, an increase of 2,800 million euros compared to 2020 (+27.5%). Specifically, in 2021 the Group recorded an increase in capital expenditure: (i) of **Infrastructure and Networks** mainly in Italy, Spain, Latin America and Romania, mainly for the installation of new Smart Meters, for quality remote control activities and for the “Grid Blue Sky” project; (ii) of **Enel Green Power**, mainly in Italy, the United States, Colombia, Chile, India, Spain, Peru, Brazil and Panama for new renewable generation plants, which more than offset the decrease of investments in South Africa, Mexico and Greece; (iii) of **End-User Markets** in Italy, Spain and Romania; (iv) of **Enel X** in Italy, in

<sup>8</sup> Including 111 million euros relating to units classified as “assets held for sale”.

<sup>9</sup> Including 71 million euros in coupons paid to holders of perpetual hybrid bonds.





the e-Home business, in electric mobility and digitalization, as well as in North America for the development of storage activities.

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## 2021 Results of the Parent Company

The Parent Company Enel, in its capacity as industrial holding company, sets the strategic objectives for the Group and coordinates the activities of its subsidiaries. The activities that Enel performs in respect of the other Group companies as part of its management and coordination role are Holding activities (coordination of governance processes at Group level). Within the Group, Enel also directly performs the role of central treasury, ensuring access to the money and capital markets, and provides coverage of insurance risks.

Millions of euros	2021	2020	Change
<b>Revenues</b>	1,769	128	-
<b>EBITDA</b>	1,378	(174)	-
<b>EBIT</b>	644	(363)	-
<b>Net financial expense and income from equity investments</b>	4,004	2,567	55.98%
<b>Net income for the period</b>	4,762	2,326	-
<b>Net financial debt at December 31<sup>st</sup></b>	23,199	18,683	24.17%

### Main 2021 economic and financial highlights of the Parent Company:

- **Revenues amounted to 1,769 million euros**, with an increase of 1,641 million euros compared to 2020. The positive change is mainly attributable to: (i) the capital gain of 1,629 million euros recognized following Enel's sale of its entire stake in Open Fiber S.p.A., equal to 50% of the share capital; (ii) a 9 million euro increase in revenues from services rendered to subsidiaries as part of the Parent's guidance and coordination function.
- **EBITDA** amounted to 1,378 million euros, with an increase of 1,552 million euros compared to 2020. This increase is mainly due to the positive change in revenues, partly offset by the increase in personnel costs and costs for services and use of third-party assets.
- **EBIT**, equal to 644 million euros, net of depreciation, amortization and impairment related to equity investments of 734 million euros (189 million euros in 2020). The increase of 1,007 million euros compared to 2020 is mainly due to the aforementioned increase in revenues. Impairments mainly relate to shareholdings held in distribution companies in Romania for a total of 270 million euros, the shareholding in Enel Green Power S.p.A. for 497 million euros as well as other shareholdings in Italian and Dutch subsidiaries for 21 million euros. Reversals of impairments refer to investments



held in the subsidiaries Enel Global Trading S.p.A. for 43 million euros, Enel Italia S.p.A. for 41 million euros and Enel Innovation Hubs S.r.l. for 7 million euros.

In 2020, depreciation, amortization and impairment amounted to 189 million euros and related mainly to impairment losses on shareholdings held in distribution companies in Romania for a total of 136 million euros and certain shareholdings in Italian and Dutch subsidiaries for 25 million euros.

- Net financial expenses and income from equity investments were a positive 4,004 million euros** (2,567 million euros in 2020, +55.98%), including net financial expense of 447 million euros (581 million euros in 2020) and income from investments in subsidiaries, associates and other companies of 4,451 million euros (3,148 million euros in 2020).  
Compared to the previous year, income from equity investments increased by 1,303 million euros, mainly due to higher dividends distributed by the subsidiary Enel Italia S.p.A., following the contribution to the latter of the equity investments held in the Italian subsidiaries at the beginning of 2020; net financial expense decreased by 134 million euros, mainly due to more effective management of interest and exchange rate hedges.
- Net income for the year of 4,762 million euros**, compared to 2,326 million euros in 2020 (+104.73%). The positive change of 2,436 million euros was mainly due to an increase in revenues and to income from participations, partially offset by value adjustments on participations.
- Net financial debt at December 31<sup>st</sup>, 2021 was 23,199 million**, an increase of 4,516 million euros compared to December 31<sup>st</sup>, 2020 (+24.17%), as a result of higher net long-term debt exposure of 8,545 million euros, mainly related to the needs generated by investment activities in equity interests, partially offset by lower net short-term debt of 4,029 million euros.

**Equity** amounted to 34,967 million euros, an increase of 4,224 million euros compared to December 31<sup>st</sup>, 2020. This change is attributable to the recognition of the total income for 2021 (amounting to 4,907 million euros), the distribution of the balance of the dividend for 2020 (totaling 1,861 million euros) and the interim dividend for 2021 (totaling 1,932 million euros), the issuance of hybrid perpetual bonds with a total value of 2,214 million euros, net of transaction costs, and the reclassification of a previously issued hybrid bond as a hybrid capital instrument, as a result of a change in its terms and conditions, with a value of 967 million euros, net of transaction costs.

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## OPERATIONAL HIGHLIGHTS FOR 2021

	FY 2021	FY 2020	Change
<b>Electricity sales (TWh)</b>	<b>309.4</b>	298.2	+3.8%
<b>Gas sales (billions of m<sup>3</sup>)</b>	<b>9.9</b>	9.7	+2.1%
<b>Total net efficient installed capacity (GW)</b>	<b>87.1</b>	84.0	+3.7%
<ul style="list-style-type: none"> <li><b>of which renewables (GW)<sup>1</sup></b></li> </ul>	<b>50.1</b>	45.0 <sup>2</sup>	+11.3%



<b>Electricity generated (TWh)</b>	<b>222.6</b>	207.1	+7.5%
<b>Electricity distributed (TWh)</b>	<b>510.3</b>	485.2 <sup>2</sup>	+5.2%
<b>Employees (no.)</b>	<b>66,279</b>	66,717	-0.7%

<sup>1</sup> It should be noted that net efficient installed capacity from renewables, also including managed capacity, amounted to 53.4 GW at December 31<sup>st</sup>, 2021 and 48.6 GW at December 31<sup>st</sup>, 2020.

<sup>2</sup> The figure for 2020 was readjusted in 2021.

## Electricity and gas sales

- **Electricity sales** in 2021 amounted to **309.4 TWh**, an increase of 11.2 TWh (+3.8%) compared to the previous year. Specifically, this reflects: (i) an increase in volumes sold in Italy (+2.5 TWh), Latin America (+9.5 TWh), mainly in Brazil (+4.1 TWh), Chile (+3.7 TWh), Peru (+0.7 TWh), as well as in Romania (+0.5 TWh); (ii) lower volumes sold in Iberia (-1.3 TWh);
- **Natural gas sales** in 2021 amounted to **9.9 billion cubic meters**, an increase of 0.2 billion cubic meters (+2.1%) compared to the previous year, mainly in Iberia.

## Total net efficient installed capacity

At the end of December 2021, the Group's total net efficient installed capacity amounted to 87.1 GW, an increase of 3.1 GW compared to 2020. The installation of new wind power capacity (+2.6 GW), mainly in Brazil (+0.8 GW), USA (+0.8 GW) and South Africa (+0.6 GW), as well as solar (+2.5 GW) mainly in Chile (+0.8 GW), USA (+0.6 GW), Iberia (+0.5 GW) and Australia due to the effect of the line-by-line consolidation of certain companies, previously accounted for using the equity method (+0.3 GW), more than offset the divestment of coal-fired plants for a total capacity of -2.0 GW in Italy and Iberia.

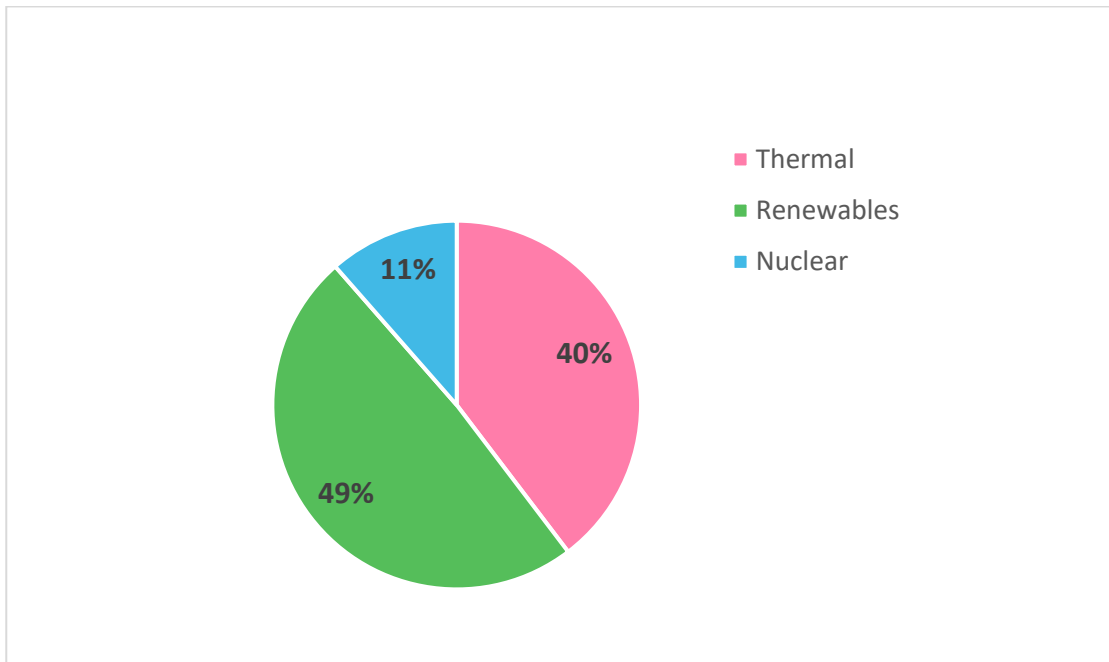
## Electricity generated

The net electricity generated by the Enel Group in 2021 amounted to **222.6 TWh**<sup>10</sup>, an increase of 15.5 TWh on the value recorded in 2020 (+7.5%). Specifically, this reflects:

- an increase in renewable generation (+3.5 TWh, of which: +6.8 TWh of wind and +2.1 TWh of solar, which offset a lower production of 5.4 TWh from hydro sources);
- a higher contribution from thermal sources (+12.3 TWh), mainly due to higher production from combined cycle plants (+8.4 TWh) as well as Oil & Gas (+3.3 TWh);
- production from nuclear sources of 25.5 TWh, slightly down (-0.3 TWh) from 2020.

## Generation mix of Enel Group plants

<sup>10</sup> 232.2 TWh including the output from around 3.3 GW of managed renewable capacity.



**Generation from renewable sources, including volumes produced by managed capacity, far exceeded that from thermal generation**, reaching 118.4 TWh (115.3 TWh in 2020, +2.8%), compared with thermal generation of 88.3 TWh (75.9 TWh in 2020, +16.3%).

Considering only the production from consolidated capacity, zero-emission generation comes to 60% of total generation of the Enel Group, while it is equal to 62% if managed generation capacity is also included<sup>11</sup>. The long-term objective of the Enel Group remains the achievement of ‘Net Zero’ by 2040, both relating to direct and indirect emissions.

## Electricity distributed

**Electricity transported** on Enel Group distribution networks in 2021 amounted to 510.3 TWh, of which 226.7 TWh in Italy and 283.6 TWh abroad.

Volumes of **electricity distributed in Italy** increased by 12.3 TWh (+5.7%) compared to 2020, in line with the demand for electricity on the national grid (+5.6%). The percentage change in demand on the national market amounted to +4.7% in the North, +7.2% in the Center, +6.5% in the South and +3.9% in the Islands. The South and the Islands are mainly served by e-distribuzione; in the Center and North, other major operators account for a total of about 15% of volumes distributed.

**Electricity distributed outside Italy** amounted to 283.6 TWh, an increase of 12.7 TWh (+4.7%) versus 2020, with most of the increase posted in Spain (+6.6 TWh) and Brazil (+2.5 TWh).

<sup>11</sup> Capacity not consolidated by the Enel Group but operated under the “Build, Sell and Operate” model.



## EMPLOYEES

At December 31<sup>st</sup>, 2021, **Group employees numbered 66,279** (66,717 at December 31<sup>st</sup>, 2020). The change in 2021 (-438) reflects the impact of:

- the balance between new hires and terminations (-461);
- changes in the scope of consolidation (+23), due to the sale of the company Enel Green Power Bulgaria and the acquisition of the company Cityposte Payment S.p.A. in Italy.

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## STRATEGIC PLAN: PROGRESS ON THE FUNDAMENTAL PRINCIPLES

In 2021, the Enel Group achieved the strategic objectives set for the year, confirming its delivery capabilities. In particular, the following progress was made in the Group's strategy:

1. Ordinary EBITDA and net ordinary income were at the higher end of the Group's guidance, increasing by 6.6% and 7.6% respectively;
2. Generation from renewable capacity was confirmed as the main driver of operational growth with 5,120 MW of new renewable capacity, including for the first time 220 MW of batteries, coupled with the progressive replacement of conventional generation plants with a reduction of 2 GW of coal-fired capacity;
3. The Group's simplification process continued through the increase of Enel's stake, up to 82.3%, in the share capital of Enel Américas.

With regards to shareholder remuneration, the proposed total dividend for 2021 is 0.38 euros per share, 6.1% higher than the dividend paid in 2020.

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## OUTLOOK

During 2021, there was a gradual uptake of vaccines against COVID-19, which enabled significant growth globally; in this context, the Group has recorded a solid recovery in operating indicators in terms of generation, distribution and sale of electricity to final customers. Specifically, during the year the Enel Group accelerated the construction of new renewable and storage capacity, with more than 5 GW of new capacity installed worldwide, which represents an absolute record for the Group, with an increase of more than 2 GW compared to 2020.

At the same time, the macroeconomic scenario was characterized by significant growth in the prices of raw materials, such as gas and coal, which have a direct impact on the price of electricity. The authorities in some European countries have therefore intervened in an attempt to mitigate the increase in electricity prices for final consumers, also through measures that penalize companies operating in the generation and sale of electricity.



In this context, the Group has demonstrated significant resilience thanks to its geographical diversification, its business model integrated along the value chain, a solid financial structure and a high level of digitalization, which was reflected in its economic and financial results of 2021.

In November 2021, the Group presented its new Strategic Plan 2022-24, as well as providing a view of its business evolution by 2030.

Specifically, the Strategic Plan focuses on four strategic lines:

**(i) Allocating capital to support a decarbonized electricity supply.**

Between 2021 and 2030, the Enel Group expects to mobilize capital expenditure totaling 210 billion euros, of which 170 billion euros invested directly by the Group (an increase of 6% over the previous Strategic Plan) and 40 billion euros catalyzed by the latter through third parties.

As a result of this capital expenditure, by 2030 the Enel Group expects to:

- achieve a total renewable capacity of approximately 154 GW, tripling the Group's renewable portfolio compared to 2020;
- increase the grid customer base by 12 million;
- promote the electrification of consumption, increasing the volume of electricity sales by almost 30% while focusing on the development of beyond commodity services, such as public electric mobility or behind-the-meter storage, supported by partners.

**(ii) Enabling electrification of customer energy demand.**

The Group's strategic actions will aim to increase value for customers in the Business to Consumer ("B2C"), Business to Business ("B2B") and Business to Government ("B2G") segments, by increasing the level of electrification of these customers and simultaneously improving the services offered. In "Tier 1"<sup>12</sup> countries, this targeted strategy, combined with capital expenditure on the asset base, is expected to lead to 2.6 times increase of the Group's integrated margin between 2021 and 2030, supported by a unified platform capable of managing the world's largest customer base among private operators.

**(iii) Leveraging full value chain's value creation.**

In order to strengthen its client-centric strategy through platformization, in 2021 the Group created the Global Customers business line, today Enel X Global Retail, which is responsible for defining the commercial strategy and directing the allocation of capital towards customer needs, leveraging electrification while achieving excellent levels of service.

The refocusing of the Group will be accompanied by the simplification and rebalancing of its portfolio, through: (i) focus on "Tier 1" countries, (ii) resources made available through the disposal of assets no longer functional to the Group's strategy, and (iii) mergers and acquisitions deals aimed at improving positioning, acquiring skills or generating synergies.

**(iv) Bringing forward Sustainable Net Zero.**

The Group has brought its 'Net Zero' commitment forward by 10 years, from 2050 to 2040, for all emissions along the value chain. The Group plans to phase out thermal generation by 2040, replacing it with new renewable capacity as well as hybridizing renewables with storage solutions. In addition, it is expected that by 2040 the electricity sold by the Group will be entirely generated from renewables and by the same year the Group will exit the gas retail business.

As a result of the strategic lines described above, between 2020 and 2030, the Group's ordinary EBITDA is expected to grow by 5-6% in terms of a compound annual growth rate ("CAGR"), against a Group net ordinary income expected to increase by 6-7%, again in terms of CAGR.

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<sup>12</sup> Countries in which the Enel Group has an integrated or potentially integrated presence, namely Italy, Spain, Romania, the United States, Brazil, Chile, Colombia and Peru.



With reference instead to the 2022-2024 Plan period, Group ordinary EBITDA is expected to reach 21.0-21.6 billion euros in 2024, compared to 19.2 billion euros in 2021.

The Group's net ordinary income is expected to increase to 6.7-6.9 billion euros in 2024, compared to 5.6 billion euros in 2021.

Enel's dividend policy for the 2022-2024 period remains simple, predictable and attractive. Shareholders are expected to receive a fixed dividend per share ("DPS") which is expected to grow by 13% from 2021 to 2024, to reach 0.43 euros/share.

In 2022, the Group will continue with:

- the acceleration of capital expenditure on renewable energies, especially in Iberia and North America, to support industrial growth and as part of the decarbonization policy adopted by the Group;
- a growth in capital expenditure on distribution networks, especially in Italy, with the aim of increasing the flexibility and resilience of these networks and further improving service quality;
- the increase in capital expenditure devoted to the electrification of consumption, with the aim of leveraging the expansion of the customer base, as well as investments focused on continuous efficiency enhancement, supported by the creation of global business platforms.

As a result of the above, the following table sets out the economic and financial targets on which the Group's 2022-2024 Plan is based:

<i>Financial targets</i>				
<i>Earnings growth</i>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Ordinary EBITDA (€ bn)</b>	19.2	19-19.6	20-20.6	21-21.6
<b>Net ordinary income (€ bn)</b>	5.6	5.6-5.8	6.1-6.3	6.7-6.9
<i>Value creation</i>				
<b>Dividend per share (€)</b>	0.38	0.40	0.43	0.43

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## AUTHORIZATION TO PURCHASE AND DISPOSE OF TREASURY SHARES

Enel's Ordinary Shareholders' Meeting of May 20<sup>th</sup>, 2021 authorized the Board of Directors to purchase and subsequently dispose of the Company's treasury shares for eighteen months as from the date of shareholders' resolution. On June 17<sup>th</sup>, 2021, the Board of Directors, in implementation of this authorization, approved the purchase of treasury shares, for a number of shares equal to 1.62 million, equivalent to approximately 0.016% of Enel's share capital, to serve the 2021 Long-Term Incentive Plan reserved to top management of Enel and/or its subsidiaries pursuant to Article 2359 of the Italian Civil Code approved by the same Shareholders' Meeting of May 20<sup>th</sup>, 2021, pursuant to Article 114-bis of the Consolidated Financial Act. Following the purchases made in execution of the aforementioned Board resolution, the Company purchased a total of 1,620,000 treasury shares, equal to approximately 0.016% of the share capital. Considering the treasury shares already held, as of today Enel holds 4,889,152 treasury shares, equal to approximately 0.048% of the share capital, while the subsidiaries do not hold any Enel shares.





In view of the persistence of the reasons justifying the aforementioned authorization granted by the Ordinary Shareholders' Meeting of May 20<sup>th</sup>, 2021 and the approaching expiry date set by the latter, the Board of Directors has therefore deemed it appropriate to submit to the Shareholders' Meeting - convened, as indicated below, for May 19<sup>th</sup>, 2022 – the **renewal of the authorization to purchase and subsequent disposal of treasury shares – subject to revocation of the previous authorization** – to be carried out on one or more instalments, up to a maximum of 500 million ordinary shares of the Company, representing approximately 4.92% of Enel's share capital, for a total outlay of up to 2 billion euros.

The purchase and disposal of treasury shares is intended: (i) to offer shareholders an additional tool for monetizing their investment; (ii) to operate on the market with a medium and long-term investment view; (iii) to fulfil the obligations arising from the 2022 Long-Term Incentive Plan reserved to the top management of Enel and/or its subsidiaries pursuant to Article 2359 of the Italian Civil Code - which provides for a portion of the bonus, if accrued, to be paid in Enel shares and which will be submitted for approval to the Shareholders' Meeting called for May 19<sup>th</sup>, 2022 - and/or from any other equity plans for Directors or employees of Enel or its subsidiaries or affiliates; (iv) to support the market liquidity of the Enel share in such a way as to favor the regularity of trading and to avoid irregular price fluctuations, as well as to regularize the trend of negotiations and quotations, against the temporary distortions linked to excessive volatility or low trading liquidity; and (v) to constitute a "securities warehouse" which may be used in the context of any extraordinary financial transactions or for other purposes deemed to be in the financial, managerial and/or strategic interest for Enel.

The purchase of treasury shares will be allowed for eighteen months from the date of the shareholders' resolution authorizing it; on the other hand, there is no time limit for the disposal of purchased treasury shares.

Purchases of treasury shares may be made at a price to be determined on a case-by-case basis, taking into account the method chosen for carrying out the transaction and in compliance with any applicable regulatory provisions, as well as, where applicable, the accepted market practices in force *pro tempore*, it being understood that such price shall in any case not differ, either downwards or upwards, by more than 10% from the reference price recorded on the Euronext Milan market (formerly Mercato Telematico Azionario), organized and managed by Borsa Italiana S.p.A., on the day preceding each individual transaction. The sale or other disposal of treasury shares in portfolio, on the other hand, shall take place in accordance with the terms and conditions established from time to time by the Board of Directors, in compliance with the limits that may be provided for by the laws in force, as well as, where applicable, by the accepted market practices in force *pro tempore*.

Purchases of treasury shares may be made according to one of the following operating modalities identified by Article 144-*bis*, paragraphs 1 and 1-*bis* of the CONSOB Issuers' Regulations: (i) by means of a public tender or exchange offer; (ii) on regulated markets or MTFs, in accordance with operating modalities set out in the rules for the organization and management of those markets, which do not allow direct matching of purchase offers with predetermined sale; (iii) by means of the purchase and sale of derivative instruments traded on regulated markets or multilateral trading facilities that provide for the physical delivery of the underlying shares, provided that the market's organizational and management rules establish trading arrangements for such instruments in line with the characteristics defined in Article 144-*bis*, paragraph 1, letter c) of the CONSOB Issuers' Regulation; (iv) in the manner established by the market practices accepted by CONSOB pursuant to Article 13 of Regulation (EU) No 596/2014; (v) under the conditions set out in Article 5 of Regulation (EU) no. 596/2014.

The sale or other disposal of treasury shares may, on the other hand, take place in the manner deemed most appropriate by the Board of Directors and compliant with the interest of the Company and, in any



case, in accordance with the relevant applicable laws and, where applicable, with the accepted market practices in force *pro tempore*.

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## SHAREHOLDERS' MEETING AND DIVIDEND

The Board of Directors has also convened **the Ordinary Shareholders' Meeting for May 19<sup>th</sup>, 2022**, on single call, providing that - in order to minimize movements as well as gatherings in light of the continuing effects of the COVID-19 outbreak and taking into account the provisions on the conduct of company meetings in Article 106, paragraph 4, of Italy's Decree-Law no. 18 of March 17<sup>th</sup>, 2020 - the Shareholders' Meeting shall be held in such a way as to enable shareholders to intervene exclusively through the representative appointed by the Company as per Article 135-*undecies* of the Consolidated Financial Act, to whom shareholders may also grant proxies or sub-proxies pursuant to Article 135-*novies* of the same Consolidated Financial Act.

The Shareholders' Meeting was convened in order to:

1. **Approve the financial statements and examine the consolidated financial statements as well as the consolidated non-financial statement related to the 2021 financial year.**
2. **Resolve upon the distribution of a total dividend of 0.38 euros per share**, of which:
  - **0.19 euros per share** taken from Enel's net income, to cover the interim dividend for the 2021 financial year, in payment from January 26<sup>th</sup>, 2022;
  - **0.19 euros per share** taken from Enel's net income as the balance of the 2021 dividend.

**The total dividend thus amounts to approximately 3,863 million euros**, in line with the dividend policy for the 2021 financial year announced to the market, which envisages the payment of a fixed dividend for 2021 of 0.38 euros per share. In this regard, it should be noted that the Board of Directors, in its meeting of November 4<sup>th</sup>, 2021, resolved to distribute an interim dividend for the 2021 financial year equal to **0.19 euros per share**, the payment of which was carried out as from January 26<sup>th</sup>, 2022, with the "ex-dividend date" of coupon no. 35 coinciding with January 24<sup>th</sup>, 2022 and record date (i.e., the date of the title to the payment of the dividend itself) coinciding with January 25<sup>th</sup>, 2022. In accordance with the law, treasury shares in Enel's portfolio on the latter record date did not participate in the distribution of the aforementioned interim dividend. As regards the balance of the dividend for 2021, equal to **0.19 euros per share**, the Board of Directors has proposed a payment date as from July 20<sup>th</sup>, 2022, with the "ex-dividend date" of coupon no. 36 coinciding with July 18<sup>th</sup>, 2022 and record date coinciding with July 19<sup>th</sup>, 2022. In line with the legislation in force, treasury shares in Enel's portfolio at the record date indicated above will not be accounted for in the balance dividend.

3. **Resolve upon the authorization to purchase and dispose of treasury shares, subject to the revocation of the authorization granted by the Ordinary Shareholders' Meeting of May 20<sup>th</sup>, 2021.**
4. **Resolve upon the election of the Board of Statutory Auditors due to expiry of the term of office and upon the determination of the remuneration of its regular members.**



- 5. Resolve upon the adoption of a long-term incentive plan** (“Incentive Plan”), characterized by a three-year vesting period, which grants the relevant recipients a bonus consisting of a component in Enel shares and a monetary component, subject to and in proportion to the achievement of the following performance objectives over the 2022-2024 period: (i) Total Shareholders’ Return (“TSR”), measured with reference to the performance of Enel’s share compared with that of the Euro Stoxx Utilities - UEM index; (ii) ROIC (Return on Invested Capital) - WACC (Weighted Average Cost of Capital); (iii) GHG Scope 1 emissions per kWh equivalent produced by the Enel Group in 2024 (“GHG Scope 1 emissions”); (iv) percentage of women in top management succession plans at the end of 2024. In particular, the Incentive Plan – which assigns a weight of 50% to TSR, a weight of 30% to ROIC - WACC, a weight of 10% to GHG Scope 1 Emissions and a weight of 10% to the percentage of women in the top management succession plans at the end of 2024 - is aimed at the Chief Executive Officer/General Manager and executives with strategic responsibilities of Enel, as well as managers of Enel itself and/or its subsidiaries pursuant to Article 2359 of the Italian Civil Code, as identified at the time of the assignment of the Plan. Moreover, the Plan, in view of the characteristics of its structure, the performance objectives identified, and the weight given to each of them, is aimed at reinforcing the alignment of management interests with the priority objective of creating sustainable value for shareholders over the long term. For a detailed description of the Incentive Plan, please refer to the information document, drafted pursuant to Article 114-*bis* of the Consolidated Finance Act and Article 84-*bis* of the CONSOB Issuers’ Regulation, which will be made available to the public in accordance with the law.
- 6. Adopt, with reference to the report on remuneration policy and compensations paid: (i) a binding resolution on the first section** of the report itself, which illustrates Enel’s **policy on the remuneration** of Directors, General Manager, Executives with strategic responsibilities and members of the Board of Statutory Auditors for the 2022 financial year, as well as the procedures used for the adoption and implementation of such policy; **(ii) a non-binding resolution on the second section** of the report itself, that describes the **compensations paid** to Directors, General Manager, Executives with strategic responsibilities and members of the Board of Statutory Auditors in the 2021 financial year.

The documentation relating to the items on the agenda of the Shareholders’ Meeting, as required by current legislation, will be made available to the public within the terms of the law.

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## BOND ISSUES AND MATURING BONDS

The main bond issues made in 2021 by Enel Group companies include:

- a non-convertible subordinated multi-tranche perpetual hybrid bond with a value of 2,250 million euros issued by Enel in March 2021 with no fixed maturity date, which shall be redeemed only in the event of winding-up or liquidation of the Company, structured as follows:
  - 1,250 million euros, with a fixed annual coupon of 1.375% until the first reset date scheduled for September 8<sup>th</sup>, 2027;
  - 1,000 million euros, with a fixed annual coupon of 1.875% until the first reset date scheduled for September 8<sup>th</sup>, 2030;
- a bond for a value of 720 million Brazilian reais (equivalent to 114 million euros at December 31<sup>st</sup>, 2021) maturing in April 2031 and which provides for the payment of a floating-rate coupon IPCA + 4.26%, issued in April 2021 by Enel Distribuição São Paulo;



- a multi-tranche Sustainability-Linked bond, guaranteed by Enel, for a value of 3,250 million euros, with repayment in a single instalment, issued in June 2021 by Enel Finance International, structured as follows:
  - 1,000 million euros, at a fixed rate of 0.000% and maturing in June 2027;
  - 1,250 million euros, at a fixed rate of 0.500% and maturing in June 2030;
  - 1,000 million euros, at a fixed rate of 0.875% and maturing in June 2036.
- a multi-tranche Sustainability-Linked bond, guaranteed by Enel, for a value of 4,000 million US dollars, with repayment in a single instalment, issued in July 2021 by Enel Finance International, structured as follows:
  - 1,250 million US dollars (equivalent to 1,104 million euros, at December 31<sup>st</sup>, 2021), at a fixed rate of 1.375% and maturing in July 2026;
  - 1,000 million US dollars (equivalent to 883 million euros, at December 31<sup>st</sup>, 2021), at a fixed rate of 1.875% and maturing in July 2028;
  - 1,000 million US dollars (equivalent to 883 million euros, at December 31<sup>st</sup>, 2021), at a fixed rate of 2.250% and maturing in July 2031;
  - 750 million US dollars (equivalent to 662 million euros, at December 31<sup>st</sup>, 2021), at a fixed rate of 2.875% and maturing in July 2041;
- a multi-tranche Sustainability-Linked bond, guaranteed by Enel, for a value of 3,500 million euros, with repayment in a single instalment, issued in September 2021 by Enel Finance International, structured as follows:
  - 1,250 million euros, at a fixed rate of 0.000% and maturing in May 2026;
  - 1,000 million euros, at a fixed rate of 0.375% and maturing in May 2029;
  - 1,250 million euros, at a fixed rate of 0.875% and maturing in September 2034;
- a bond for a value of 575 million Brazilian reais (equivalent to 91 million euros at December 31<sup>st</sup>, 2021) maturing in October 2028 and which provides for the payment of a floating-rate coupon CDI + 1.64% issued in October 2021 by Enel Distribuição São Paulo.

In the period between January 1<sup>st</sup>, 2022 and June 30<sup>th</sup>, 2023, bonds issued by Enel Group companies are expected to mature for a total amount of 3,672 million euros, including:

- 50 million euros relating to a fixed-rate bond issued by Enel Finance International and guaranteed by Enel, maturing in February 2022;
- 50 million euros relating to a floating-rate bond issued by Enel Finance International and guaranteed by Enel, maturing in February 2022;
- 50 million euros relating to a floating-rate bond issued by Enel Finance International and guaranteed by Enel, maturing in February 2022;
- 270,000 million Colombian pesos (equivalent to 59 million euros at December 31<sup>st</sup>, 2021) relating to a fixed-rate bond issued by Codensa<sup>13</sup>, maturing in March 2022;
- 1,949 million euros relating to a fixed-rate bond issued by Enel Finance International and guaranteed by Enel, maturing in September 2022;
- 300,000 million Colombian pesos (equivalent to 65 million euros at December 31<sup>st</sup>, 2021) relating to a fixed-rate bond issued by Emgesa<sup>14</sup>, maturing in September 2022;
- 50 million euros relating to a floating-rate bond issued by Enel Finance International and guaranteed by Enel, maturing in November 2022;
- 300,000 million Colombian pesos (equivalent to 65 million euros at December 31<sup>st</sup>, 2021) relating to a floating-rate bond issued by Emgesa, maturing in December 2022;
- 100 million euros relating to a floating-rate bond issued by Enel Finance International and guaranteed by Enel, maturing in February 2023;

<sup>13</sup> Company merged by incorporation on March 1<sup>st</sup>, 2022 into Emgesa SA ESP, which in turn was renamed as of the same date as Enel Colombia SA ESP.

<sup>14</sup> Company renamed Enel Colombia SA ESP from March 1<sup>st</sup>, 2022.



- 290,130 million Colombian pesos (equivalent to 63 million euros at December 31<sup>st</sup>, 2021) relating to a floating-rate bond issued by Emgesa, maturing in February 2023;
- 280,000 million Colombian pesos (equivalent to 61 million euros at December 31<sup>st</sup>, 2021) relating to a fixed-rate bond issued by Codensa, maturing in March 2023;
- 50 million euros relating to a floating-rate bond issued by Enel Finance International and guaranteed by Enel, maturing in March 2023;
- 585 million euros relating to a fixed-rate bond issued by Enel Finance International and guaranteed by Enel, maturing in April 2023.

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## RECENT EVENTS

**December 3<sup>rd</sup>, 2021:** Further to what was previously disclosed to the market on December 17<sup>th</sup>, 2020, April 30<sup>th</sup> and August 5<sup>th</sup>, 2021, Enel announced that it has completed the sale of its entire shareholding in Open Fiber S.p.A. (“Open Fiber”), equal to 50% of the share capital, in favor of Macquarie Asset Management and CDP Equity S.p.A. (“CDPE”), following the fulfilment of all the conditions set out in the contracts entered into with them. Specifically, 40% of Open Fiber’s capital was sold to Macquarie Asset Management for a consideration of approximately 2,199 million euros, of which approximately 79 million euros was a ticking fee, calculated from July 1<sup>st</sup>, 2021 until the closing of the transaction. This consideration includes the transfer of 80% of Enel’s portion of the shareholders’ loan granted to Open Fiber, including accrued interest, amounting to approximately 248 million euros. At the same time, CDPE was sold 10% of the capital of Open Fiber for a consideration of approximately 534 million euros, of which approximately 4 million euros was a ticking fee, calculated from November 1<sup>st</sup>, 2021 until November 30<sup>th</sup>, 2021. This consideration includes the transfer of 20% of Enel’s portion of the “shareholders’ loan” granted to Open Fiber, including accrued interest, amounting to approximately 62 million euros. The total consideration received by Enel therefore amounts to approximately 2,733 million euros, resulting in a capital gain recognition at Group level of approximately 1,763 million euros and an effect on consolidated net financial debt of approximately 2,423 million euros.

**December 9<sup>th</sup>, 2021:** Enel announced that a Noteholders’ Meeting of the following subordinated non-convertible hybrid bond issued by the Company (the “Bond”) had been held in Rome:

- 900,001,000 euros maturing on May 25<sup>th</sup>, 2080 and an amount in circulation of 900,001,000 euros (ISIN: XS2000719992).

The Noteholders’ Meeting approved the proposed amendments to the terms and conditions of the Bond, aimed at aligning them with the terms and conditions of the perpetual subordinated non-convertible hybrid bonds launched by Enel in 2020 and 2021. In particular, the approved amendments provide, inter alia, that (i) the Bond, originally issued with a specified long-term maturity date, shall become due and payable and shall therefore be repaid by the Company only in the event of its winding-up or liquidation; (ii) the events of default previously provided for in the terms and conditions and additional documentation governing the Bond are eliminated.

**December 16<sup>th</sup>, 2021:** Enel announced that the Board of Directors authorized the issuance by Enel, by December 31<sup>st</sup>, 2022, of one or more non-convertible subordinated hybrid bonds, including perpetual bonds, for up to maximum amount equal to 3 billion euros. These bonds are to be placed exclusively with European and non-European institutional investors, including through private placements.





In the same resolution, Enel's Board of Directors also revoked the previous resolution of February 25<sup>th</sup>, 2021 concerning the issuance of one or more bonds by the Company for the portion not yet implemented, amounting to approximately 0.75 billion euros, without prejudice to all effects arising from issues already carried out. The new issues aim to further strengthen the Group's capital and financial structure, and/or refinance Enel's hybrid bonds in circulation.

**December 21<sup>st</sup>, 2021:** Enel announced that it has signed, through Enel X International S.r.l. ("Enel X International"), a wholly-owned subsidiary of Enel X S.r.l. ("Enel X"), a new agreement with a holding company controlled by Sixth Cinven Fund and a holding company controlled by Seventh Cinven Fund - both funds managed by the international private equity company Cinven - for the indirect acquisition, through a holding company, of approximately 79% of the share capital of Ufinet Latam S.L.U. ("Ufinet") from Sixth Cinven Fund and the simultaneous sale of 80.5% of the Company's capital to Seventh Cinven Fund, in order to renew the existing partnership in Ufinet. Under this agreement, Enel X International will therefore retain an indirect 19.5% stake in the capital of Ufinet.

In line with the terms of the existing agreement with Sixth Cinven Fund, entered into in 2018, Enel X International - which indirectly holds the remaining approximately 21% of the Company's capital - will exercise its call option to acquire approximately 79% of Ufinet's capital for a consideration of 1,320 million euros. Under the new agreement, Enel X International will simultaneously receive approximately 140 million euros as a distribution of Ufinet's available reserves, a figure subject to potential adjustment upon closing and, at the same time, will sell 80.5% of the Company's capital to Seventh Cinven Fund for a consideration of approximately 1,240 million euros.

**December 23<sup>rd</sup>, 2021:** Enel and Intesa Sanpaolo S.p.A. have announced that they have signed - respectively through Enel's wholly owned subsidiary Enel X S.r.l. ("Enel X") and Intesa San Paolo's subsidiary Banca 5 S.p.A. ("Banca 5") - an agreement with Schumann Investments S.A., a company controlled by the international private equity fund CVC Capital Partners Fund VI, for the acquisition of 70% of the share capital of Mooney Group S.p.A. ("Mooney"), a fintech company operating in proximity banking and payment services. Specifically, Enel X will acquire 50% of Mooney's capital, while Banca 5, which holds 30% of Mooney's capital, will increase its shareholding to 50%, therefore creating joint control of Mooney by both parties. The agreement, which is based on an enterprise value of 100% of Mooney of 1,385 million euros, provides for the recognition at closing of a consideration by Enel X between 334 million and 361 million euros; this consideration consists of 220 million euros for the equity and a variable component linked to a price adjustment mechanism at closing. At the same time, Intesa Sanpaolo at closing will pay a consideration of between 88 million and 94 million euros; this consideration consists in turn of 88 million euros for the equity and a variable component linked to a price adjustment mechanism at closing. Following the closing, which is subject to various administrative approvals, all of activities related to Enel X's financial services business in Italy, marketed under the Enel X Pay brand, will be sold to Mooney. In particular, Enel X will sell to Mooney, for a consideration of 140 million euros, the entire share capital of Enel X Financial Services, CityPoste Payment and Paytipper (subject to Enel X exercising its call option to increase its shareholding in the latter company from the current 55%). In this way, a joint European-based fintech will be created, with an already solid customer base.

**January 3<sup>rd</sup>, 2022:** Enel announced that its subsidiary Enel Produzione S.p.A. ("Enel Produzione"), following the fulfilment of the conditions precedent set forth in the sale and purchase agreement communicated to the market on August 2<sup>nd</sup>, 2021, has completed the acquisition of the entirety of the share capital of ERG Hydro S.r.l. ("ERG Hydro") from ERG Power Generation S.p.A. ("ERG Power Generation"). Specifically, Enel Produzione paid a consideration of approximately 1,039 million euros, to which a price adjustment was added at closing of approximately 226 million euros concerning the mark-to-market valuation of certain hedging derivatives of ERG Power Generation relating to part of the energy produced in the future by the ERG Hydro plants.



**January 10<sup>th</sup>, 2022:** Enel has announced that its Dutch subsidiary Enel Finance International N.V. has launched a multi-tranche Sustainability-Linked bond in the Eurobond market totaling 2.75 billion euros, intended for institutional investors as well as for listing on the regulated Euronext market in Dublin. The issue is linked to the achievement of Enel's sustainable objective relating to the reduction of Direct Greenhouse Gas Emissions (Scope 1), contributing to the United Nations Sustainable Development Goal 13 (Climate Action) and in compliance with the Group's Sustainability-Linked Financing Framework. The bond, guaranteed by Enel, was oversubscribed by approximately 2.5 times, totaling overall orders of approximately 6.6 billion euros and a significant participation of Socially Responsible Investors (SRI), allowing the Enel Group to continue to diversify its investor base.

The issue is structured in the following three tranches:

- 1,250 million euros, at a fixed rate of 0.250% and maturing on November 17<sup>th</sup>, 2025;
- 750 million euros, at a fixed rate of 0.875% and maturing on January 17<sup>th</sup>, 2031;
- 750 million euros, at a fixed rate of 1.250% and maturing on January 17<sup>th</sup>, 2035.

More information on these events is available in the related press releases published in the Enel *website* at the following address: <https://www.enel.com/media/explore/search-press-releases>.

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## NOTES

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*At 6:00 p.m. CET today, March 17<sup>th</sup>, 2022, a conference call will be held to present the results for 2021 and the progress of the 2022-2024 Strategic Plan to financial analysts and institutional investors. Journalists are also invited to listen in on the call. Documentation relating to the conference call will be available on Enel's website ([www.enel.com](http://www.enel.com)), in the "Investor" section, from the beginning of the conference call.*

*The Consolidated Income Statement, Statement of Comprehensive Income (Loss) for the year, Consolidated Balance Sheet and Consolidated Cash Flow Statement of the Enel Group and the analogous financial statement formats of the Parent Company Enel, are attached hereto. It should be noted that these tables and the explanatory notes have been submitted to the Board of Statutory Auditors and to the external auditors for their assessments. A descriptive summary of the "alternative performance indicators" used in this press release is also attached.*

*The officer responsible for the preparation of the corporate financial reports, Alberto De Paoli, certifies, pursuant to Article 154-bis, paragraph 2, of the Consolidated Financial Act, that the accounting information contained in this press release corresponds with that contained in the accounting documentation, books and records.*

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## ACCOUNTING STANDARDS, DATA COMPARABILITY AND AMENDMENTS TO THE SCOPE OF CONSOLIDATION

The balance sheet figures at December 31<sup>st</sup>, 2021 exclude (unless otherwise indicated) values relating to assets and liabilities held for sale, attributable to certain renewable energy companies held for sale in South Africa and some Enel X companies in Italy.

The data reported and commented on above are therefore homogeneous and comparable in the two periods under comparison.

In order to improve the presentation of contracts entered into for the purchase or sale of commodities with physical delivery (which do not qualify for the “own use exemption”) measured at fair value through profit or loss (within the scope of IFRS 9), the Group changed their presentation in the consolidated financial statements during 2021.

In particular, in 2020:

- the unrealized results of changes in the fair value of energy commodity sales contracts still outstanding at the balance sheet date were presented under the item “Revenues from sales and services”;
- the unrealized results of changes in the fair value of energy commodity purchase contracts still outstanding at the balance sheet date were presented under the items “Electricity, gas and fuel” and “Services and other materials”.

In 2021, the unrealized results of changes in the fair value of contracts to buy or sell energy commodities that were outstanding at the balance sheet date are recognized on a net basis in “Net results from commodity contracts”.

The new presentation method constitutes a change in accounting policy, in accordance with “IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors”.

Therefore, it was necessary to resubmit only for comparative purposes the income statement balances referring to previous periods, without impacting either the net result or the equity.

For a better representation, the economic component related to the remeasurement at fair value of financial assets related to services under concession falling within the scope of IFRIC 12, in 2021 it was reclassified from financial income to revenues from contracts with customers (IFRS 15) since it refers to the remeasurement at fair value of contractual assets.

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## KEY PERFORMANCE INDICATORS

This press release uses some “alternative performance indicators” that are not envisaged by the international accounting standards adopted by the European Union - IFRS-EU, but which management deems useful for the better evaluation and monitoring of the Group's economic and financial performance. With regard to these indicators, on April 29<sup>th</sup>, 2021, CONSOB issued the Warning Notice no. 5/21 making applicable the Guidelines issued on March 4<sup>th</sup>, 2021 by the European Securities and Markets Authority (ESMA) on disclosure requirements pursuant to EU Regulation 2017/1129 (the so-called “Prospectus Regulation”), which are applicable from May 5<sup>th</sup>, 2021.



The Guidelines update the previous CESR Recommendations (ESMA/2013/319, as revised on March 20<sup>th</sup>, 2013) with the exception of those concerning issuers carrying out special activities set out in Annex no. 29 of Delegated Regulation (EU) 2019/980, which have not been converted into Guidelines and still remain applicable.

Therefore, as from May 5<sup>th</sup>, 2021, references in previous CONSOB communications to the CESR Recommendations on Prospectuses mentioned above shall be deemed to be replaced by the ESMA Guidelines, including references in Communication No. DEM/6064293, of July 28<sup>th</sup>, 2006, on net financial position.

These 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.

The meaning, content and basis of calculation of these indicators are as follows:

- **EBITDA**: an indicator of Enel's operating performance, calculated as "EBIT" plus "Depreciation, amortization and impairment losses";
- **Ordinary EBITDA** is defined as the "EBITDA" attributable to ordinary operations only, linked to the business models of Ownership and Stewardship. It excludes costs associated with corporate restructuring plans and costs directly related to the COVID-19 outbreak;
- **Net financial debt**: an indicator of the financial structure, determined by:
  - "Long-term borrowings", "Short-term borrowings" and "Current portion of long-term borrowings", taking into account "Long-term and short-term borrowings" included in "Other non-current financial liabilities" and "Other current financial liabilities", respectively;
  - net of "Cash and cash equivalents";
  - net of "Current portion of long-term financial receivables", "Current securities" and "Other financial receivables" included in "Other current financial assets";
  - net of "Non-current securities" and "Other non-current financial receivables" included in "Other non-current financial assets".

More generally, the Enel Group's net financial debt is determined in accordance with the provisions of Guideline No. 39, issued on March 4<sup>th</sup>, 2021, by ESMA, applicable from May 5<sup>th</sup>, 2021, and in line with the above-mentioned Warning Notice No. 5/21 issued by CONSOB on April 29<sup>th</sup>, 2021;

- **Net capital employed** is calculated as the algebraic sum of "Net fixed assets"<sup>15</sup> and "Net working capital"<sup>16</sup>, "Provisions for risks and charges", "Deferred tax liabilities" and "Deferred tax assets", and "Net assets held for sale"<sup>17</sup>;
- **Group net ordinary income** is defined as that part of "Group net income" attributable only to ordinary operations linked to the Ownership and Stewardship business models. It is equal to the "Group net income" adjusted by, mainly, the previously commented items under "Ordinary EBITDA", net of possible tax effects and non-controlling interests.

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<sup>15</sup> Determined as the difference between "Non-current assets" and "Non-current liabilities" with the exception of: 1) "Deferred tax assets"; 2) "Securities" and "Other financial receivables" included in "Other non-current financial assets"; 3) "Long-term borrowings"; 4) "Employee benefits"; 5) "Provisions for risks and charges (non-current portion)"; and 6) "Deferred tax liabilities".

<sup>16</sup> Defined as the difference between "Current assets" and "Current liabilities" with the exception of: 1) "Current portion of long-term financial receivables", "Factoring receivables", "Securities", "Cash collateral" and "Other financial receivables" included in "Other current financial assets"; 2) "Cash and cash equivalents"; 3) "Short-term borrowings" and the "Current portion of long-term borrowings"; 4) "Provisions for risks and charges (current portion)"; and 5) "Other financial liabilities".

<sup>17</sup> Determined by the difference between "Assets held for sale" and "Liabilities held for sale".



## Consolidated Income Statement

Millions of euro

	2021		2020	
		<i>of which with related parties</i>		<i>of which with related parties</i>
<b>Revenue</b>				
Revenue from sales and services <sup>(1)(2)</sup>	84,104	7,010	63,642	4.038
Other income	3,902	6	2,362	10
	<i>[Subtotal]</i>		<b>66,004</b>	
<b>Costs</b>				
Electricity, gas and fuel <sup>(1)</sup>	49,093	13,826	26,026	5.385
Services and other materials <sup>(1)</sup>	19,609	3,152	18,366	2.958
Personnel expenses	5,281		4,793	
Net impairment/(reversals) on trade receivables and other receivables	1,196		1,285	
Depreciation, amortization and other impairment losses	8,691		7,163	
Other operating costs	2,095	218	2,202	202
Capitalized costs	(3,117)		(2,385)	
	<i>[Subtotal]</i>		<b>57,450</b>	
<b>Net results from commodity contracts <sup>(1)</sup></b>	<b>2,522</b>	<b>24</b>	<b>(99)</b>	<b>1</b>
<b>Operating profit/(loss) <sup>(2)</sup></b>	<b>7,680</b>		<b>8,455</b>	
Financial income from derivatives	2,718		1,315	
Other financial income <sup>(2)</sup>	1,882	138	2,676	62
Financial expense from derivatives	1,257		2,256	
Other financial expense	6,114	32	4,485	71
Net income/(expense) from hyperinflation	20		57	
Share of profit/(loss) of equity-accounted investments	571		(299)	
<b>Pre-tax profit/(loss)</b>	<b>5,500</b>		<b>5,463</b>	
Income taxes	1,643		1,841	
<b>Profit/(Loss) from continuing operations</b>	<b>3,857</b>		<b>3,622</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>3,857</b>		<b>3,622</b>	
Attributable to owners of the Parent	3,189		2,610	
Attributable to non-controlling interests	668		1,012	
<b>Earnings (Loss) per share:</b>				
<b>Basic earnings (Loss) per share</b>				
Basic earnings (Loss) per share	0.31		0.26	
Basic earnings (loss) per share from continuing operations (CU)	0.31		0.26	
Basic earnings (loss) per share from discontinued operations (CU)	-		-	
<b>Diluted earnings (loss) per share</b>				
Diluted earnings (loss) per share	0.31		0.26	
Diluted earnings (loss) per share from continuing operations (CU)	0.31		0.26	
Diluted earnings (loss) per share from discontinued operations (CU)	-		-	



(1) The 2020 figure has been adjusted, solely for comparative purposes, to take into account the effects of the different classification resulting from the measurement at fair value, at the end of the period, of outstanding contracts for the purchase and sale of commodities settled with physical delivery; this different classification did not affect the Operating profit.

(2) For comparative purposes only, a reclassification was made from financial income to revenues for an amount of 87 million euros in 2020 of the component recognized in the income statement linked to the remeasurement at fair value of financial assets related to the service in concession of distribution activities in Brazil falling within the scope of IFRIC 12. This last classification had an effect of the same amount on the Operating profit.



## Statement of Consolidated Comprehensive Income

Millions of euro

	2021	2020
<b>Profit for the year</b>	<b>3,857</b>	<b>3,622</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	(725)	(268)
Change in fair value of hedging costs	195	(99)
Share of the other comprehensive expense of equity-accounted investments	(645)	(9)
Change in the fair value of financial assets at FVOCI	11	(1)
Change in translation reserve	(90)	(4,510)
<b>Other comprehensive income/(expense) that may not be subsequently reclassified to profit or loss (net of taxes)</b>		
Remeasurement of liabilities/(assets) for defined benefit plans	30	(353)
Change in fair value of equity investments in other companies	-	(21)
<b>Total other comprehensive income/(expense) for the year</b>	<b>(1,224)</b>	<b>(5,261)</b>
<b>Comprehensive income/(expense) for the year</b>	<b>2,633</b>	<b>(1,639)</b>
<b>Attributable to:</b>		
- owners of the Parent	2,562	(1,028)
- non-controlling interests	71	(611)



## Consolidated Balance Sheet

Millions of euro

ASSETS	at Dec. 31, 2021		at Dec. 31, 2020	
		<i>of which with related parties</i>		<i>of which with related parties</i>
<b>Non-current assets</b>				
Property, plant and equipment	84,572		78,718	
Investment property	91		103	
Intangible assets	18,070		17,668	
Goodwill	13,821		13,779	
Deferred tax assets	11,034		8,578	
Equity-accounted investments	704		861	
Non-current financial derivative assets	2,772	14	1,236	21
Non-current contract assets	530		304	
Other non-current financial assets	5,704	1,120	5,159	1,144
Other non-current assets	3,268	119	2,494	
	<i>[Total]</i>		<b>128,900</b>	
<b>Current assets</b>				
Inventories	3,109		2,401	
Trade receivables	16,076	1,321	12,046	863
Current contract assets	121		176	
Tax assets	530		446	
Current financial derivative assets	22,791	32	3,471	
Other current financial assets	8,645	157	5,113	190
Other current assets	5,002	123	3,578	164
Cash and cash equivalents	8,858		5,906	
	<i>[Total]</i>		<b>33,137</b>	
<b>Assets classified as held for sale</b>	<b>1,242</b>		<b>1,416</b>	
<b>TOTAL ASSETS</b>	<b>206,940</b>		<b>163,453</b>	



Millions of euro

LIABILITIES AND EQUITY	at Dec. 31, 2021		at Dec. 31, 2020	
		<i>of which with related parties</i>		<i>of which with related parties</i>
<b>Equity attributable to the owners of the Parent</b>				
Share capital	10,167		10,167	
Treasury share reserve	(36)		(3)	
Other reserves	1,721		(39)	
Retained earnings	17,801		18,200	
	<i>[Total]</i>		<b>28,325</b>	
<b>Non-controlling interests</b>	<b>12,689</b>		<b>14,032</b>	
<b>Total equity</b>	<b>42,342</b>		<b>42,357</b>	
<b>Non-current liabilities</b>				
Long-term borrowings	54,500	880	49,519	984
Employee benefits	2,724		2,964	
Provisions for risks and charges (non-current portion)	7,197		5,774	
Deferred tax liabilities	9,259		7,797	
Non-current financial derivative liabilities	3,339	1	3,606	
Non-current contract liabilities	6,214	194	6,191	161
Other non-current financial liabilities	120		-	
Other non-current liabilities	4,525		3,458	
	<i>[Total]</i>		<b>79,309</b>	
<b>Current liabilities</b>				
Short-term borrowings	13,306	6	6,345	21
Current portion of long-term borrowings	4,031	109	3,168	108
Provisions for risks and charges (current portion)	1,126		1,057	
Trade payables	16,959	4,082	12,859	2,205
Income tax liabilities	712		471	
Current financial derivative liabilities	24,607		3,531	
Current contract liabilities	1,433	12	1,275	16
Other current financial liabilities	625		622	
Other current liabilities	12,959	80	11,651	37
	<i>[Total]</i>		<b>40,979</b>	
<b>Liabilities included in disposal groups classified as held for sale</b>	<b>962</b>		<b>808</b>	
<b>Total liabilities</b>	<b>164,598</b>		<b>121,096</b>	
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>206,940</b>		<b>163,453</b>	





## Consolidated Statement of Cash Flows

Millions of euro

	2021		2020	
		<i>of which with related parties</i>		<i>of which with related parties</i>
<b>Pre-tax profit</b>	<b>5,500</b>		<b>5,463</b>	
<b>Adjustments for:</b>				
Net impairment/(reversals) of trade receivables and financial asset	1,196		1,285	
Depreciation, amortization and other impairment losses	8,691		7,163	
Net financial (income)/expense <sup>(1)</sup>	2,751		2,693	
Net (gains)/losses from equity-accounted investments	(571)		299	
Changes in net working capital:	(1,097)		(1,654)	
- inventories	(649)		(8)	
- trade receivables	(4,951)	(458)	(1,350)	33
- trade payables	4,357	1,877	698	(86)
- other contract assets	56		(15)	
- other contract liabilities	75	(4)	(142)	
- other assets/liabilities <sup>(1)</sup>	15	31	(837)	34
Accruals to provisions	1,578		834	
Utilization of provisions	(1,300)		(1,202)	
Interest income and other financial income collected	1,653	138	1,705	62
Interest expense and other financial expense paid	(4,411)	(32)	(3,690)	(71)
Net (income)/expense from measurement of commodities	(304)		188	
Income taxes paid	(1,846)		(1,575)	
Net capital gains	(1,771)		(1)	
<b>Cash flows from operating activities (A)</b>	<b>10,069</b>		<b>11,508</b>	
Investments in property, plant and equipment	(10,545)		(8,330)	
Investments in intangible assets	(1,656)		(1,218)	
Investments in non-current contract assets	(907)		(649)	
Investments in entities (or business units) less cash and cash equivalents acquired	(283)		(33)	
Disposals of entities (or business units) less cash and cash equivalents sold	61		154	
(Increase)/Decrease in other investing activities	2,455		(41)	
<b>Cash flows used in investing activities (B)</b>	<b>(10,875)</b>		<b>(10,117)</b>	
New long-term borrowing	15,895		3,924	
Repayments of borrowings	(11,321)	(118)	(1,950)	(104)
Other changes in net financial debt	3,339		(712)	(176)
Payments for acquisition of equity investments without change of control and other transactions in non-controlling interests	(1,295)		(1,067)	
Issues/(Redemptions) of hybrid bonds	2,213		588	
Sale/(Purchase) of treasury shares	(13)		(13)	
Dividends and interim dividends paid	(4,970)		(4,742)	
Coupons paid to holders of hybrid bonds	(71)		-	
<b>Cash flows from (used in) financing activities (C)</b>	<b>3,777</b>		<b>(3,972)</b>	
<b>Impact of exchange rate fluctuations on cash and cash equivalents (D)</b>	<b>17</b>		<b>(497)</b>	
<b>Increase/(Decrease) in cash and cash equivalents (A+B+C+D)</b>	<b>2,988</b>		<b>(3,078)</b>	
Cash and cash equivalents at the beginning of the year <sup>(2)</sup>	6,002		9,080	
Cash and cash equivalents at the end of the year <sup>(3)</sup>	8,990		6,002	



(1) For comparative purposes only, a reclassification was made from financial income to revenues in 2020 of the component recognized in the income statement linked to the remeasurement at fair value of financial assets related to the service in concession of distribution activities in Brazil falling within the scope of IFRIC 12. This last classification did not affect the Cash flows from operating activities.

(2) Of which cash and cash equivalents equal to €5,906 million at January 1, 2021 (€9,029 million at January 1, 2020), short-term securities equal to €67 million at January 1, 2021 (€51 million at January 1, 2020) and cash and cash equivalents pertaining to assets held for sale in the amount of €29 million at January 1, 2021.

(3) Of which cash and cash equivalents equal to €8,858 million at December 31, 2021 (€5,906 million at December 31, 2020), short-term securities equal to €88 million at December 31, 2021 (€67 million at December 31, 2020) and cash and cash equivalents pertaining to assets held for sale in the amount of €44 million at December 31, 2021 (€29 million at December 31, 2020).



## Enel SpA - Income Statement

Millions of euro

	2021		2020	
		<i>of which with related parties</i>		<i>of which with related parties</i>
<b>Revenues</b>				
Revenue from sales and services	125	125	116	116
Other income	1,644	14	12	11
	<b>1,769</b>		<b>128</b>	
<b>Costs</b>				
Purchase of consumables	1		-	
Services, leases and rentals	197	130	171	109
Personnel expenses	179		118	
Depreciation, amortization and impairment losses	734		189	
Other operating costs	14	1	13	1
	<b>1,125</b>		<b>491</b>	
<b>Operating profit/(loss)</b>	<b>644</b>		<b>(363)</b>	
Income from equity investments	4,451	4,450	3,148	3,148
Financial income from derivatives	1,073	253	1,144	557
Other financial income	240	237	447	221
Financial expense from derivatives	891	506	1,472	337
Other financial expense	869	203	700	152
	<b>4,004</b>		<b>2,567</b>	
Pre-tax profit/(loss)	<b>4,648</b>		<b>2,204</b>	
Income taxes	(114)		(122)	
<b>Profit for the year</b>	<b>4,762</b>		<b>2,326</b>	



## Enel SpA - Statement of comprehensive income for the year

Millions of euro

	2021	2020
<b>Profit for the year</b>	<b>4,762</b>	<b>2,326</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	125	(53)
<b>Change in fair value of hedging costs</b>	<b>16</b>	<b>6</b>
<b>Other comprehensive income/(expense) that may not be subsequently reclassified to profit or loss (net of taxes)</b>		
Remeasurement of liabilities/(assets) for defined benefit plans	4	(2)
Change in fair value of equity investments in other companies	-	(11)
<b>Total other comprehensive income/(expense) for the year</b>	<b>145</b>	<b>(60)</b>
<b>Comprehensive income/(expense) for the year</b>	<b>4,907</b>	<b>2,266</b>



## Enel SpA - Balance Sheet

Millions of euro

<b>ASSETS</b>	<b>at Dec. 31,2021</b>		<b>at Dec. 31,2020</b>	
		<i>of which with related parties</i>		<i>of which with related parties</i>
<b>Non-current assets</b>				
Property, plant and equipment	12		8	
Intangible assets	143		113	
Deferred tax assets	299		337	
Equity investments	60,269		50,622	
Non-current financial derivative assets	753	153	890	319
Other non-current financial assets <sup>(1)</sup>	16		280	270
Other non-current assets	99	87	128	108
	<b>61,591</b>		<b>52,378</b>	
<b>Current assets</b>				
Trade receivables	275	276	241	242
Tax assets	142		197	
Current financial derivative assets	60	23	128	118
Other current financial assets <sup>(2)</sup>	8,257	7,134	2,650	1,024
Other current assets	1,063	1,045	661	621
Cash and cash equivalents	952		2,127	
	<b>10,749</b>		<b>6,004</b>	
<b>Non-current assets classified as held for sale</b>	<b>-</b>		<b>669</b>	
<b>TOTAL ASSETS</b>	<b>72,340</b>		<b>59,051</b>	

(1) Of which long-term financial receivables for € 3 million at December 31,2021, € 273 million at December 31, 2020.

(2) Of which short-term financial receivables for € 8,197 million at December 31,2021, € 2,337 million at December 31, 2020.



Millions of euro

<b>LIABILITIES AND EQUITY</b>	<b>at Dec. 31,2021</b>		<b>at Dec. 31,2020</b>	
		<i>of which with related parties</i>		<i>of which with related parties</i>
<b>Equity</b>				
Share capital	10,167		10,167	
Treasury share reserve	(36)		(3)	
Equity instruments - perpetual hybrid bonds	5,567		2,386	
Other reserves	11,511		11,300	
Retained earnings	4,928		6,346	
Profit for the year <sup>(1)</sup>	2,830		547	
<b>Total equity</b>	<b>34,967</b>		<b>30,743</b>	
<b>Non-current liabilities</b>				
Long-term borrowings	25,572	18,739	17,297	11,157
Employee benefits	172		200	
Provisions for risks and charges (non-current portion)	49		14	
Deferred tax liabilities	149		149	
Non-current financial derivative liabilities	1,300	25	1,763	4
Other non-current liabilities	30	8	19	8
	<b>27,272</b>		<b>19,442</b>	
<b>Current liabilities</b>				
Short-term borrowings	6,563	5,625	5,303	5,057
Current portion of long-term borrowings	216	118	820	46
Provisions for risks and charges (current portion)	12		11	
Trade payables	167	117	92	50
Current financial derivative liabilities	131	36	258	11
Other current financial liabilities	227	71	228	53
Other current liabilities	2,785	220	2,154	158
	<b>10,101</b>		<b>8,866</b>	
<b>TOTAL LIABILITIES</b>	<b>37,373</b>		<b>28,308</b>	
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>72,340</b>		<b>59,051</b>	

<sup>(1)</sup> In 2021, net income is reported net of interim dividend equal to € 1,932 million (€ 1,779 million at December 31,2020).



## Enel SpA - Statement of Cash Flows

Millions of euro

	2021	of which with related parties		2020	of which with related parties	
<b>Pre-tax profit</b>	<b>4,648</b>			<b>2,204</b>		
<b>Adjustments for:</b>						
Depreciation, amortization and impairment losses	734			187		
Exchange gains (losses) on foreign currency assets and liabilities	137			(162)		
Accruals to provisions	58			25		
Dividends from subsidiaries, associates and other companies	(4,451)	(4,450)		(3,148)	(3,148)	
Net financial (income)/expense	308	219		739	(289)	
<b>Cash flows from operating activities before changes in net working capital</b>	<b>1,434</b>			<b>(155)</b>		
Increase/(decrease) in provisions	(50)			37		
(Increase)/decrease Trade receivables	(36)	(34)		16	15	
(Increase)/decrease Financial and non-financial assets/liabilities	1,384	(78)		2,679	(12)	
Increase/(decrease) Trade payables	75	67		(73)	(41)	
Interest income and other financial income collected	985	710		939	495	
Interest expense and other financial expense paid	(1,102)	(352)		(1,296)	(346)	
Dividends collected from subsidiaries, associates and other companies	4,550	4,550		3,139	3,138	
Income taxes paid	(553)			(787)		
<b>Cash flow from operating activities (a)</b>	<b>6,687</b>			<b>4,499</b>		
Investments in property, plant and equipment and in intangible assets	(70)			(71)		
Investments in equity investments	(10,338)	(10,338)		(5,238)	(5,226)	
Disinvestments from extraordinary transactions	669	669		1,525		
<b>Cash flows used in investing activities (b)</b>	<b>(9,739)</b>			<b>(3,784)</b>		
New long-term borrowing	9,204	7,700		7,001	6,000	
Repayments of borrowings	(847)	(46)		(1,346)	(46)	
Net change in long-term borrowings/(loan assets)	183	887		(2,535)	(2,833)	
Net change in short-term borrowings/(loans assets)	(5,199)	(5,453)		(3,102)	(2,218)	
Dividends and interim dividends paid	(3,664)			(3,334)		
Issues/(Redemptions) of hybrid bonds	2,213			588		
Sale/(Purchase) of treasury shares	(13)			(13)		
<b>Cash flows from (used in) financing activities (c)</b>	<b>1,877</b>			<b>(2,741)</b>		
<b>Increase/(decrease) in cash and cash equivalents (a+b+c)</b>	<b>(1,175)</b>			<b>(2,026)</b>		
Cash and cash equivalents at the beginning of the year	2,127			4,153		
<b>Cash and cash equivalents at the end of the year</b>	<b>952</b>			<b>2,127</b>		