

# ENEL GRIDS

**489.2** TWh

**ELECTRICITY TRANSPORTED ON ENEL'S DISTRIBUTION GRID**

507.5 TWh in 2022

**€7,851** million

**ORDINARY GROSS OPERATING PROFIT**

€8,276 million in 2022

**€5,280** million<sup>(1)</sup>

**CAPITAL EXPENDITURE**

41.5% of total Group capital expenditure

(1) The figure does not include €233 million regarding units classified as held for sale or discontinued operations.

## Operations

### Electricity distribution and transmission grid

Millions of kWh	2023	2022	Change	
Electricity transported on Enel's distribution grid	489,214	507,524	(18,310)	-3.6%
- of which Italy <sup>(1)</sup>	214,059	220,379	(6,320)	-2.9%
- of which Iberia <sup>(1)</sup>	136,363	131,677	4,686	3.6%
- of which Rest of the World <sup>(1)</sup>	138,792	155,468	(16,676)	-10.7%
- of which Latin America	126,202	139,921	(13,719)	-9.8%
- of which Europe <sup>(1)</sup>	12,590	15,547	(2,957)	-19.0%
End users with active smart meters (no.)	45,172,959	45,824,963	(652,004)	-1.4%

(1) The figure for 2022 has been restated.

In 2023, electricity transported on the grid decreased (by 3.6%), mainly attributable to:

- Europe (-19%) for the sale in October 2023 of all the investments held by the Enel Group in Romania;
- Brazil and Chile for, respectively, the sale in December 2022 of Celg Distribuição SA - Celg-D (Enel Goiás) and of Enel Transmisión Chile SA;
- Italy (-2.9%), due to a decrease in demand for electricity.

### Average frequency of interruptions per customer

	2023	2022	Change	
SAIFI (average no.)				
Italy	1.7	1.6	0.1	6.2%
Iberia	1.2	1.3	(0.1)	-7.7%
Argentina	7.9	5.3	2.6	49.1%
Brazil	3.7	4.5	(0.8)	-17.8%
Chile	1.2	1.6	(0.4)	-25.0%
Colombia	4.6	3.9	0.7	17.9%
Peru	2.7	2.9	(0.2)	-6.9%
Romania <sup>(1)</sup>	2.1	2.6	(0.5)	-19.2%

(1) The figure for 2022 has been restated.

### Average duration of interruptions by customer

	2023	2022	Change	
SAIDI (average minutes)				
Italy <sup>(1)</sup>	45.6	41.8	3.8	9.1%
Iberia <sup>(1)</sup>	63.0	64.3	(1.3)	-2.0%
Argentina	1,169.2	892.0	277.2	31.1%
Brazil	465.3	547.3	(82.0)	-15.0%
Chile <sup>(1)</sup>	121.4	158.6	(37.2)	-23.5%
Colombia	352.6	320.0	32.6	10.2%
Peru <sup>(1)</sup>	635.5	610.3	25.2	4.1%
Romania <sup>(1)</sup>	71.3	90.4	(19.1)	-21.1%

(1) The figure for 2022 has been restated.

As shown in the tables above, service quality level improved above all in Chile and Brazil and significant worsened in Argentina due to adverse weather events in 2023.

### Grid losses

	2023	2022	Change	
Grid losses (average %)				
Italy	4.7	4.7	-	-
Iberia	6.8	7.0	(0.2)	-2.9%
Argentina	16.8	17.1	(0.3)	1.8%
Brazil	13.1	13.5	(0.4)	-3.0%
Chile	5.3	5.1	0.2	3.9%
Colombia	7.5	7.5	-	-
Peru	8.7	8.2	0.5	6.1%
Romania	8.3	8.5	(0.2)	-2.4%

# Performance

Millions of euro				
	2023	2022	Change	
Revenue	20,259	23,032	(2,773)	-12.0%
Gross operating profit/(loss)	7,461	9,114	(1,653)	-18.1%
Ordinary gross operating profit/(loss)	7,851	8,276	(425)	-5.1%
Operating profit/(loss)	4,426	5,332	(906)	-17.0%
Ordinary operating profit/(loss)	4,743	5,254	(511)	-9.7%
Capital expenditure	5,280 <sup>(1)</sup>	5,547 <sup>(2)</sup>	(267)	-4.8%

(1) The figure does not include €233 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €110 million regarding units classified as held for sale or discontinued operations.

The following tables show a breakdown of performance by geographical area in 2023.

## Revenue

Millions of euro				
	2023	2022	Change	
<b>Italy</b>	<b>7,610</b>	<b>6,963</b>	<b>647</b>	<b>9.3%</b>
<b>Iberia</b>	<b>2,379</b>	<b>2,258</b>	<b>121</b>	<b>5.4%</b>
<b>Rest of the World</b>	<b>10,228</b>	<b>12,948</b>	<b>(2,720)</b>	<b>-21.0%</b>
Latin America	10,227	12,956	(2,729)	-21.1%
- of which Argentina	560	1,000	(440)	-44.0%
- of which Brazil	6,321	7,762	(1,441)	-18.6%
- of which Chile	1,590	2,562	(972)	-37.9%
- of which Colombia	823	753	70	9.3%
- of which Peru	933	879	54	6.1%
Europe	1	(8)	9	-
<b>Other</b>	<b>402</b>	<b>1,273</b>	<b>(871)</b>	<b>-68.4%</b>
<b>Eliminations and adjustments</b>	<b>(360)</b>	<b>(410)</b>	<b>50</b>	<b>12.2%</b>
<b>Total</b>	<b>20,259</b>	<b>23,032</b>	<b>(2,773)</b>	<b>-12.0%</b>

The decrease in **revenue** is mainly attributable to Brazil and Chile due to the changes in the consolidation scope relating, respectively, to the sales of Celg Distribuição SA – Celg-D (Enel Goiás) and Enel Transmisión Chile SA which took place in December 2022, and above all to the recognition in 2022 of the gain on the sale of Enel Transmisión

Chile SA (€1,051 million). These negative effects were only partially offset by the increase in revenue due to rate adjustments, especially in Italy and Brazil, in addition to the increase in Spain in relation to the charges recognized in 2022 for rate adjustments for the years 2017 to 2019.

## Ordinary gross operating profit/(loss)

Millions of euro				
	2023	2022	Change	
<b>Italy</b>	<b>3,589</b>	<b>3,707</b>	<b>(118)</b>	<b>-3.2%</b>
<b>Iberia</b>	<b>1,668</b>	<b>1,621</b>	<b>47</b>	<b>2.9%</b>
<b>Rest of the World</b>	<b>2,598</b>	<b>2,384</b>	<b>214</b>	<b>9.0%</b>
Latin America	2,284	2,445	(161)	-6.6%
- of which Argentina	(54)	88	(142)	-
- of which Brazil	1,496	1,489	7	0.5%
- of which Chile	102	168	(66)	-39.3%
- of which Colombia	517	487	30	6.2%
- of which Peru	223	213	10	4.7%
Europe	314	(61)	375	-
<b>Other</b>	<b>(4)</b>	<b>564</b>	<b>(568)</b>	<b>-</b>
<b>Total</b>	<b>7,851</b>	<b>8,276</b>	<b>(425)</b>	<b>-5.1%</b>

**Ordinary gross operating profit**, which takes account of the increase in the result on assets classified as discontinued operations (€362 million), decreased by €425 million. This change is mainly attributable to the recognition in 2022 of the gain on the sale of 50% of the stake held by Enel Grids in Gridspertise (€520 million), to changes in the consolidation scope (a total of €250 million) mainly due to the sales of Enel Transmisión Chile and Celg Distribuição SA - Celg-D (Enel Goiás), to the increase in service quality indemnities (€118 million), and to the increased costs for plant maintenance following adverse weather events in Italy (€61 million). These effects were partially offset by the rate adjustments recognized in Brazil, Italy and Romania.

**Gross operating profit** came to €7,461 million, a decrease of €1,653 million from the €9,114 million posted in 2022. This change is essentially attributable to the net gains (€1,359 million) recognized in 2022 on the sales of Gridspertise, Enel Transmisión Chile and Celg Distribuição SA - Celg-D (Enel Goiás), as well as to the negative impacts of the related changes in the consolidation scope (€250 million), the increased costs for service quality indemnities (€118 million), and the higher maintenance costs in response to hazardous weather events in Italy (€61 million). These impacts were only partially offset by the rate adjustments recorded in Brazil and Italy.

## Ordinary operating profit/(loss)

Millions of euro

	2023	2022	Change	
<b>Italy</b>	<b>2,139</b>	<b>2,357</b>	<b>(218)</b>	<b>-9.2%</b>
<b>Iberia</b>	<b>872</b>	<b>815</b>	<b>57</b>	<b>7.0%</b>
<b>Rest of the World</b>	<b>1,738</b>	<b>1,528</b>	<b>210</b>	<b>13.7%</b>
Latin America	1,496	1,671	(175)	-10.5%
- of which Argentina	(109)	52	(161)	-
- of which Brazil	980	975	5	0.5%
- of which Chile	51	109	(58)	-53.2%
- of which Colombia	424	391	33	8.4%
- of which Peru	150	144	6	4.2%
Europe	242	(143)	385	-
<b>Other</b>	<b>(6)</b>	<b>554</b>	<b>(560)</b>	<b>-</b>
<b>Total</b>	<b>4,743</b>	<b>5,254</b>	<b>(511)</b>	<b>-9.7%</b>

The decrease of €511 million in **ordinary operating profit** for 2023 essentially reflects the factors described in relation to ordinary gross operating profit, as well as the greater depreciation due to the new capital expenditure made in Italy on distribution grids.

**Operating profit** amounted to €4,426 million in 2023, a decrease of €906 million on 2022 (€5,332 million). This change is attributable to the effects noted above in relation to gross operating profit, as well as to the increased depreciation and amortization in Italy, which were partially offset by the recognition in 2022 of the impairment on the assets of Celg Distribuição SA - Celg-D (Enel Goiás) in the amount of €827 million.

## Capital expenditure

Millions of euro

	2023	2022	Change	
<b>Italy</b>	<b>3,084</b>	<b>2,714</b>	<b>370</b>	<b>13.6%</b>
<b>Iberia</b>	<b>885</b>	<b>860</b>	<b>25</b>	<b>2.9%</b>
<b>Rest of the World</b>	<b>1,287</b>	<b>1,949</b>	<b>(662)</b>	<b>-34.0%</b>
Latin America	1,287	1,809	(522)	-28.9%
Europe	-	140	(140)	-
<b>Other</b>	<b>24</b>	<b>24</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5,280<sup>(1)</sup></b>	<b>5,547<sup>(2)</sup></b>	<b>(267)</b>	<b>-4.8%</b>

(1) The figure does not include €233 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €110 million regarding units classified as held for sale or discontinued operations.

**Capital expenditure** in the two years being compared decreased by €267 million, mainly attributable to Latin America, and in particular to Brazil due to the sale of Celg Distribuição SA - Celg-D (Enel Goiás) in December 2022. This

reduction was partially offset in Italy by the increase in the activation of new customers and by the improvement in service quality.