

Interim Condensed Financial Statements of Enel Finance International N.V. at 30 June 2021



Contents

Director's report	3
Financial statements for the first half of 2021	13
Statement of comprehensive income	14
Statement of financial position	15
Statement of changes in equity	16
Statement of cash flows	17
Notes to the financial statements	18



Director's report

General information

The Management of the Company hereby presents its interim condensed financial statements for the period ended on 30 June 2021.

Enel Finance International N.V. (“the Company”) is a public company with limited liability, where 74.99% of the shares are held by Enel Holding Finance S.r.l (direct parent) and 25.01% of the shares are held by Enel S.p.A., both companies, have their seats in Rome, Italy. 100% of the shares of Enel Holding Finance S.r.l. are held by Enel S.p.A. Therefore, Enel S.p.A. is the ultimate controlling shareholder of the Company.

The Company is registered with the trade register of the Dutch chamber of commerce under number 34313428. The Company operates as a financing company for the Enel Group, raising funds through bond issuances, loans and other facilities and on turn lending the funds so raised to the companies belonging to the Enel Group.

Significant events in the first half of 2021

The sustainability-linked revolving credit facility

On 5 March 2021 the Company jointly with Enel S.p.A. signed the sustainability-linked revolving credit facility for an amount of Euro 10 billion on a maturity of five years.

The Facility is linked to the Key Performance Indicator (“KPI”) of Direct Green House Gas Emissions (i.e., Group Scope 1 CO₂ equivalent emissions from the production of electricity and heat), contributing to the achievement of the United Nations Sustainable Development Goal (SDG) 13 “Climate Action” and in line with the Enel Group’s “Sustainability-Linked Financing Framework”, with Vigeo Eiris providing a Second-Party Opinion.

The Facility replaces the previous Euro 10 billion revolving credit line obtained in December 2017.

A triple-tranche Euro 3.25 billion sustainability-linked bond in the eurobond market

On 8 June 2021 the Company placed a triple-tranche Euro 3.25 billion Sustainability-Linked bond, linked to the achievement of Enel’s sustainable objective related to the reduction of Direct Greenhouse Gas Emissions, contributing to the United Nations Sustainable Development Goal 13 and in line with the Enel Group’s Sustainability-Linked Financing Framework.

The issue is structured in the following three tranches:

- Euro 1 billion at a fixed rate of 0.000%, with settlement date set on 17 June 2021, maturing 17 June 2027:
 - the issue price was set at 98.909% and the effective yield at maturity is equal to 0.183%;
 - the interest rate will remain unchanged to maturity, subject to achievement of a Sustainability Performance Target (SPT) equal to or lower than 148gCO₂eq/kWh as of 31 December 2023;
 - if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Enel Group;

- Euro 1.25 billion at a fixed rate of 0.500%, with settlement date set on 17 June 2021, maturing 17 June 2030:
 - the issue price was set at 99.728% and the effective yield at maturity is equal to 0.531%;
 - the interest rate will remain unchanged to maturity, subject to achievement of a SPT equal to or lower than 148gCO₂eq/kWh as of 31 December 2023;
 - if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Enel Group;
- Euro 1 billion euros at a fixed rate of 0.875%, with settlement date set on 17 June 2021, maturing 17 June 2036:
 - the issue price was set at 98.061% and the effective yield at maturity is equal to 1.015%;
 - the interest rate will remain unchanged to maturity, subject to achievement of a SPT equal to or lower than 82gCO₂eq/kWh as of 31 December 2030;
 - if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Enel Group.

The partial refinancing of four series of conventional bonds

On 15 June 2021 the Company completed the non-binding voluntary tender for the repurchase, and subsequent cancellation, of part of four outstanding series of conventional bonds in euros listed below:

- Euro 2.5 billion Notes issued on 17 September 2009, due 14 September 2022 and 5.000% coupon (ISIN XS0452187916);
- Euro 1.0 billion Notes issued on 15 October 2012, due 17 April 2023 and 4.875% coupon (ISIN XS0842659426);
- Euro 1.5 billion Notes issued on 27 January 2015, due 27 January 2025 and 1.966% coupon (ISIN XS1176079843);
- Euro 1.3 billion Notes issued on 1 June 2016, due 1 June 2026 and 1.375% coupon (ISIN XS1425966287).

The Company repurchased in cash part of the aforementioned bonds for an aggregate nominal amount of Euro 1,069.426 million. The repurchase transaction was expected to be settled on 17 June 2021 at the same time of the settlement of the issuance of the multi-tranche Sustainability-Linked bond.

Overview of the Company's performance and financial position

Analysis of the Company financial position

Millions of euro

	at Jun. 30, 2021	at Dec. 31, 2020	Change
Net non-current assets:			
-other non-current financial assets	338	182	156
-other non-current financial liabilities	(891)	(1,590)	699
Total net non-current assets/ (liabilities)	(553)	(1,408)	855
Net current assets:			
-net tax receivable/ (payable)	(1)	(46)	45
-other current financial assets	227	244	(17)
-other current financial liabilities	(588)	(398)	(190)
-other current liabilities	(1)	(2)	1
Total net current assets/ (liabilities)	(363)	(202)	(161)
Gross capital employed	(916)	(1,610)	694
Sundry provisions:			
-deferred tax assets/ (liabilities)	97	-	97
Total provisions	97	-	
Net Capital Employed	(819)	(1,610)	791
Total Shareholders' Equity	2,144	2,116	28
Net financial debt	(2,963)	(3,726)	763

Net non-current liabilities at 30 June 2021 decreased by Euro 855 million compared to 31 December 2020. The change is attributed to an increase in net fair value of derivatives (Euro 849 million), a decrease of deferred financial income (Euro 4 million) and an increase of financial prepaid expenses (Euro 2 million).

Net current liabilities totaled Euro 363 million with an increase of Euro 161 million compared to 31 December 2020 mainly due to an increase of net fair value of derivatives (Euro 150 million), an increase of interests accrued for bonds and deposits (Euro 87 million), partly offset by a decrease of income tax payable (Euro 45 million), an increase of interest receivables (Euro 30 million) and decrease of other current liabilities (Euro 1 million).

Deferred taxes totalled to Euro 97 million accrued with respect to expenses of the partial refinancing of bonds and interest expenses not deductible in 2021 (temporary difference) which can be carried forward unlimited in time according to the Dutch tax law (earning stripping rules).

Net capital employed stood at negative Euro 819 million at 30 June 2021.

Shareholder's equity amounted to Euro 2,144 million and net financial debt stood at negative Euro 2,963 million.

The debt-to-equity ratio at 30 June 2021 came to a negative 138% (negative 176% at 31 December 2020).

Net financial debt

Millions of euro

	at Jun. 30, 2021	at Dec. 31, 2020	Change
Long-term debt:			
- bonds	29,850	28,858	992
<i>Long-term debt</i>	<i>29,850</i>	<i>28,858</i>	<i>992</i>
- loans to Group companies	(31,955)	(31,662)	(293)
<i>Long term financial receivables</i>	<i>(31,955)</i>	<i>(31,662)</i>	<i>(293)</i>
Net long-term financial debt	(2,105)	(2,804)	699
Short-term debt/(liquidity):			
- bonds (short-term portion)	2,362	532	1,830
- l/t receivables due from Group companies (short-term portion)	(557)	(515)	(42)
<i>Current amount of long-term net financial debt</i>	<i>1,805</i>	<i>17</i>	<i>1,788</i>
- commercial paper	84	2,739	(2,655)
- short-term loans from Group companies	359	461	(102)
<i>Short-term loans</i>	<i>443</i>	<i>3,200</i>	<i>(2,757)</i>
- short-term financial receivables due from Group companies	(485)	(402)	(83)
- cash collateral on derivatives	(799)	(1,290)	491
- other sundry payables	65	-	65
- financial Service Agreement with Enel S.p.A.	(1,609)	(2,275)	666
- cash and cash equivalents	(278)	(172)	(106)
<i>Cash and cash equivalents and short-term financial receivables</i>	<i>(3,106)</i>	<i>(4,139)</i>	<i>1,033</i>
Net short-term financial debt/(liquidity)	(858)	(922)	64
NET FINANCIAL DEBT	(2,963)	(3,726)	763

Net financial debt showed a net creditor position of Euro 2,963 million at 30 June 2021 (Euro 3,726 million at 31 December 2020).

Net long-term financial debt totaled to negative Euro 2,105 million, having a change of Euro 699 million due to the combined effect of an increase of Euro 293 million in long-term financial receivables and an increase of Euro 992 million in long-term debt.

Bonds amounted to Euro 29,850 million. The increase of Euro 992 million referred to the issue of Euro sustainability-linked bonds (Euro 3,250 million), exchange rate revaluation (Euro 547 million) and amortised costs (Euro 106 million) capitalized interest of zero coupon bonds (Euro 5 million).

Such increase was partly offset by reclassification of current portion of bonds (Euro 1,830 million), partial refinancing of four series of conventional bonds (Euro 1,069 million) and GBP bond fair value adjustment (Euro 17 million).

Long-term financial receivables totals to Euro 31,955 million increased by Euro 293 million compared to the 31 December 2020 as a result of:

- an increase of loan granted to Enel Chile S.A.(Euro 256 million);
- an increase of loan granted to Ampla Energia e Serviços S.A. (Euro 34 million);
- an increase of loans granted to Slovak Power Holding BV (Euro 34 million);
- loan granted to Celg Distribuicao S.A. Celg D. (Euro 156 million);

- loan granted to Companhia Energetica Do Ceara – Coelce (Euro 73 million);
- net exchange gain (Euro 122 million);

This increase was partly offset by:

- a repayment of loan granted to Energías Renovables La Mata SAPI de Cv (Euro 85 million);
- a reclassification to current portion of loans maturing in the following 12 months (Euro 297 million);

Net short-term creditor position decreased by Euro 64 million to Euro 858 million with the change principally referring to:

- a reclassification of current portion of bonds (Euro 1,830 million)
- a decrease of outstanding amount for service agreement with Enel S.p.a (Euro 666 million)
- a repayment of loan granted to Enel Iberia S.r.l. (Euro 175 million);
- a repayment of loan granted to Enel Green Power S.p.A (Euro 34 million);
- a repayment of loan granted to Enel S.p.A (Euro 22 million);
- a repayment of loan granted to Energías Renovables La Mata SAPI de Cv (Euro 8 million);
- a decrease of cash collateral paid to counterparties in over-the-counter derivatives transactions on interest rates, exchange rates and commodities (Euro 491 million);
- an increase of other sundry payables (Euro 65 million);
- net exchange loss (Euro 6 million);

The above mentioned decrease was partly offset by:

- a repayment of commercial papers (Euro 2,655 million);
- a reclassification to current portion of loans maturing in the following 12 months (Euro 297 million);
- an increase in cash and cash equivalents (Euro 105 million);
- a decrease of deposits collected from Group companies (Euro 102 million);
- an increase of outstanding amount of revolving lines granted to Group companies and other receivables (Euro 74 million);

Main Risks and uncertainties

In compliance with the new provisions in Dutch Accounting Standard 400, the Company has drawn up elements of its risk section.

Significant risks, risk appetite which could have a material effect on financial position and results as well as risk mitigation strategy have been described in the annual financial statements for 2020. Those categories and risks remain valid and should be read in conjunction with this interim report.

COVID-19 Impact

The outbreak of COVID-19 does not directly and significantly affect the ability of the Company and its ultimate Parent to continue as a going concern. The volatility and uncertainty of the financial markets during the pandemic, mostly return to pre-COVID-19 levels and their impact in any case were offset by risk mitigation actions taken by the Company.

There are no significant changes in estimates of the recoverability of financial receivables. None of borrowers has asked for forbearance or payment moratoria measures.

Related Parties

The main activity of Enel Finance International N.V. is to operate as financing company of the Enel Group, raising funds through bonds issuance, loans and other facilities and on turn lending the funds so raised to the companies belonging to Enel Group; all the transactions are part of the ordinary operations of the Company and are settled on the basis of Standard intra-Group contract market prices.

Outlook

The Company should evolve normally during the second half of 2021, with the aim to maintain the same funding and lending activities currently ongoing, keeping on supporting Enel Group in its developing and consolidation process.

The outbreak of Coronavirus does not impact the assessment of the ability to continue as a going concern. Notwithstanding in a context of greater uncertainty and volatility it is not possible to make a reasonable estimate of the quantitative impact.

Board of Directors composition

The Company's organization is characterized by a Board of Directors charged with managing the Company and a Shareholders' Meeting.

The Company is a so-called Public Interest Entity ("Organisatie van Openbaar Belang") which requires the establishment of an audit committee. The Company however makes use of the exemption in Article 3(a) of the Dutch Decree on the Audit Committee ("Besluit instelling auditcommissie") as foreseen in Article 39(3)(a) of Directive 2006/43/CE, as amended by Directive 2014/56/EU of the European Parliament and of the Council, as its Parent Company (Enel S.p.A.) is an entity that fulfils the requirements set out in paragraphs 39(1), (2) and (5) of Directive 2006/43/CE, as amended by Directive 2014/56 EU, Article 11(1), Article 11(2) and Article 16(5) of Regulation (EU) No 537/2014 of the European Parliament and of the Council.

Pursuant to Article 19, subsection 2 of Italian Legislative Decree 39/2010 - as amended by Legislative Decree 135/2016, implementing Directive 2014/56 EU - the audit committee of Enel S.p.A. coincides with the "collegio sindacale" (board of statutory auditors).* According to the legislation in force, the members of the board of statutory auditors of Enel S.p.A. must possess the requisites of integrity, professionalism and independence imposed upon the statutory auditors of listed companies, as supplemented (only as regards the professionalism requisites) by specific provisions of the bylaws.

The gender diversity within the Board members of the Company is currently 20%. The Company does not have its own diversity policy, but follows the diversity policy of Enel S.p.A., which strives for example to have equal hiring of male/female and to increase the number of female managers. The Company believes that the composition of its Board of directors has a broad diversity of experience, expertise and backgrounds, and that the backgrounds and qualifications of the directors, considered as a group, provide a significant mix of experience, knowledge, abilities and independence that we believe will allow our board of directors to fulfill its responsibilities and properly execute its duties.

Remuneration of Directors is defined in accordance with Remuneration policy of the management board of Enel Finance International N.V., recently amended by the Shareholder (Resolution of the Sole Shareholder 23.01.2017)

The Company's control system

The appropriateness of the administrative and accounting procedures used in the preparation of the financial statements has been verified in the assessment of the internal control system for financial reporting. The assessment of the internal control system for financial reporting did not identify any material issues.

16 December 2016 the Company adopted the new Enel Global Compliance Program ("EGCP"), addressed to the foreign subsidiaries of the Enel Group. The aim of EGCP is to reinforce commitment of the Company to the highest ethical, legal and professional standards for enhancing and preserving the reputation as well as the prevention of criminal behaviour abroad, which may lead to a corporate criminal liability to the Company.

Subsequent events

Multi-tranche USD 4 billion sustainability-linked bond in the U.S. and international markets

The Company placed a multi-tranche USD 4 billion equivalent to about Euro 3.4 billion.

The issue is structured in the following four tranches:

- USD 1.25 billion U.S. at a fixed rate of 1.375%, with settlement date set on 12 July 2021, maturing 12 July 2026:

- the issue price was set at 99.510% and the effective yield at maturity is equal to 1.477%;
- the interest rate will remain unchanged to maturity, subject to achievement of a Sustainability Performance Target ("SPT") equal to or lower than 148gCO₂eq/kWh as of 31 December 2023;
- if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Enel Group;

- USD 1 billion at a fixed rate of 1.875%, with settlement date set on 12 July 2021, maturing 12 July 2028:
 - the issue price was set at 99.596% and the effective yield at maturity is equal to 1.937%;
 - the interest rate will remain unchanged to maturity, subject to achievement of a SPT equal to or lower than 148gCO₂eq/kWh as of 31 December 2023;
 - if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Enel Group;
- USD 1 billion at a fixed rate of 2.250%, with settlement date set on 12 July 2021, maturing 12 July 2031:
 - the issue price was set at 99.378% and the effective yield at maturity is equal to 2.320%;
 - the interest rate will remain unchanged to maturity, subject to achievement of a SPT equal to or lower than 148gCO₂eq/kWh as of 31 December 2023;
 - if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Enel Group;
- USD 0.75 billion at a fixed rate of 2.875%, with settlement date set on 12 July 2021, maturing 12 July 2041:
 - the issue price was set at 98.769% and the effective yield at maturity is equal to 2.957%;
 - the interest rate will remain unchanged to maturity, subject to achievement of a SPT equal to or lower than 82gCO₂eq/kWh as of 31 December 2030;
 - if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Group.

Bond repurchase for an aggregate nominal value of 6 billion US dollars

On 27 July 2021 the Company repurchased in cash four of its conventional bonds, guaranteed by Enel, for an aggregate nominal value of USD 6 billion, following the exercise of a redemption option provided for in the offering documents of the relevant bonds.

Reporting of non-financial information

Enel Group, in implementation of the new EU (Directive 2014/97/EU) and national legislation that has introduced mandatory of non-financial information as from 2019 financial year for large public-interest entities, has drafted a "Consolidated Non-Financial Statement" that covers the areas provided for in that decree, accompanying the Group's Sustainability Report.

Report can be obtained from the investor relations section of Enel S.p.A. official website (<http://www.enel.com>).

Personnel

At 30 June 2021 the Company had, other than the directors, eleven employees (eleven employees at 31 December 2020). Average headcount comprised eleven people (eleven people for the first half of 2020). All people worked in the Netherland.

Statement of the Board of Directors

Statement ex Article 5:25d Paragraph 2 sub c Financial Markets Supervision Act ("Wet op net Financieel Toezicht").

To our knowledge,

- > the interim condensed financial statements give a true and fair view of the assets, liabilities, financial position and result of Enel Finance International N.V.;
- > the Director's Report gives a true and fair view of the Company's position as per 30 June 2021 and the developments during the financial period ended 30 June 2021;
- > the Director's Report describes the principal risks the Company is facing.

This interim condensed financial statements is prepared according to International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and it is externally not audited. Furthermore this interim report complies with the EU Transparency Directive enacted in the Netherlands in 2008 and subsequently came into force as from 1 January 2009. The Company has to comply with this transparency Directive, since the nominal value for certain bonds is lower than EUR 100.000. The Company's main obligations under the aforementioned Transparency Directive can be summarized as follows:

- > filing its approved interim condensed financial statements electronically with the AFM (Autoriteit Financiële Markten) in the Netherlands within five days after their approval;
- > making its interim condensed financial report generally available to the public by posting it on Enel S.p.A. official website within 3 months after the end of first sixth months of the 2021 fiscal year (by 30 September 2021);

making its interim condensed financial report generally available to the public by issuing an information notice on a financial newspaper or on a financial system at European level within 3 months after the end of first sixth months of the 2021 fiscal year (by 30 September 2021).

Amsterdam, 28 July 2021

A. Canta

H. Marseille

E. Di Giacomo

A.J.M. Nieuwenhuizen

J. Homan



**Interim Condensed Financial statements
for the period ended 30 June 2021
prepared in accordance with International
Financial Reporting Standards as adopted by
the European Union**

Statement of comprehensive income

Millions of euro	Note	1st half	
		2021	2020
Interest income			
Interest income	1	325	433
Other income	1	-	709
	<i>(Subtotal)</i>	325	1,142
Interest expenses			
Interest expenses	1	(710)	(623)
Other expense	1	(90)	(4)
	<i>(Subtotal)</i>	(800)	(627)
Net interest income/ (expense)		(475)	515
Other operating expense			
	2	(2)	(1)
Financial income			
Financial income from derivatives	3	851	359
Other financial income	3	151	226
	<i>(Subtotal)</i>	1,002	585
Financial expense			
Financial income from derivatives	3	(326)	(371)
Other financial expense	3	(583)	(133)
	<i>(Subtotal)</i>	(909)	(504)
Net financial income/ (expense)		93	81
Income/(Loss) before taxes		(384)	595
Income Taxes	4	(93)	155
Net income for the year (attributable to the shareholder)		(291)	440
Other components of comprehensive income recyclable to profit or loss in future periods:			
- Effective portion of change in the fair value of cash flow hedges		9	(27)
- Change in the fair value of costs of hedging		310	72
Total comprehensive income/(loss) for the period		319	45

Statement of financial position

Millions of Euro

Note

		at Jun.30, 2021	at Dec.31, 2020
ASSETS			
Non-current assets			
Deferred tax assets	5	97	0
Long-term loans and financial receivables	6	31,955	31,662
Derivatives	7	299	144
Other non-current financial assets	8	39	37
	<i>(Subtotal)</i>	32,390	31,843
Current assets			
Current portion of long-term loans and financial receivables	6	558	515
Short-term loans and financial receivables	9	2,094	2,677
Derivatives	7	6	54
Other current financial assets	10	984	1,579
Other current assets		9	8
Cash and cash equivalents	11	277	172
	<i>(Subtotal)</i>	3,928	5,005
TOTAL ASSETS		36,318	36,848
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	12	1,479	1,479
Share premium reserve	12	1,026	1,026
Cash flow hedge reserve	12	(902)	(911)
Cost of hedging reserve	12	127	(183)
Retained earnings	12	705	488
Net income for the period	12	(291)	217
Total shareholder's equity		2,144	2,116
Non-current liabilities			
Long-term loans and borrowings	13	29,850	28,858
Deferred tax liabilities	5	0	0
Derivatives	7	845	1,539
		46	51
	<i>(Subtotal)</i>	30,741	30,448
Current liabilities			
Income tax payable		1	46
Current portion of long-term loans	13	2,362	532
Short-term loans and borrowings	14	480	3,305
Derivatives	7	106	4
Other current financial liabilities	15	482	395
Other current liabilities		2	2
	<i>(Subtotal)</i>	3,433	4,284
TOTAL EQUITY AND LIABILITIES		36,318	36,848

Statement of changes in equity

Millions of euro

	Share capital	Share premium reserve	Cash flow hedge reserve	Cost of hedging reserve	Retained earnings	Net income for the period	Equity attributable to the shareholders
At 1 January 2020	1,479	1,026	(1,041)	(82)	408	80	1,870
Allocation of net income from the previous year	-	-	-	-	80	(80)	-
Comprehensive income for the year:	-	-	1,080	(188)	-	-	892
of which:							
- other comprehensive income (loss) for the period	-	-	1,080	-188	-	-	892
- net income for period	-	-	-	-	-	440	440
At 30 June 2020	1,479	1,026	39	(270)	488	440	3,202
At 1 January 2021	1,479	1,026	(911)	(183)	488	217	2,116
Allocation of net income from the previous year	-	-	-	-	217	(217)	-
Comprehensive income for the year:	-	-	9	310	-	(291)	28
of which:							
- other comprehensive income (loss) for the period	-	-	9	310	-	-	319
- net income for period	-	-	-	-	-	(291)	(291)
At 30 June 2021	1,479	1,026	(902)	127	705	(582)	2,144

Statement of cash flows

Millions of euro	Note	1 st half	
		2021	2020
Income for the period		(291)	440
Adjustments for:			
Interest income	2,3	(325)	(433)
Other income		-	(709)
Interest expenses		710	623
Other expense		90	4
Financial (income)		(1,002)	(585)
Financial expense	2,3	909	504
Income taxes	4	(93)	155
(Increase)/Decrease in financial and non-financial assets/liabilities		616	917
Interest income and other financial income collected		355	450
Interest expense and other financial expense paid		(566)	(455)
Income taxes paid		(44)	(29)
Cash flows from operating activities (a)		359	882
<i>New loans granted to Enel S.p.A. and affiliates</i>		<i>(636)</i>	<i>(9,070)</i>
<i>Repayments and other movements from Enel S.p.A. and affiliates</i>		<i>1,012</i>	<i>9,131</i>
Cash flows from investing/disinvesting activities (b)		376	61
Financial debt (new borrowings)	13, 14	3,302	1,968
Financial debt (repayments and other changes)	13, 14	(3,932)	(2,936)
Cash flows from financing activities (c)		(630)	(968)
Increase/(Decrease) in cash and cash equivalents (a+b+c)		105	(25)
Cash and cash equivalents at the beginning of the year		172	210
Cash and cash equivalents at the end of the year		277	185

Notes to the financial statements

Form and content of the financial statement

Enel Finance International N.V. (“the Company”) is as a limited liability company under the laws of the Netherlands from 26 September 2008. The Company is registered with the trade register of the Dutch chamber of commerce under number 34313428 with business address at Herengracht 471, 1017 BS Amsterdam, the Netherlands. The Company is established for an indefinite duration.

Enel Finance International N.V. (“the Company”) is a public company with limited liability, where 74.99% of the shares are held by Enel Holding Finance S.r.l (direct parent) and 25.01% of the shares are held by Enel S.p.A., both companies, have their seats in Rome, Italy. 100% of shares of Enel Holding Finance S.r.l. are held Enel S.p.A.

Enel S.p.A. is the ultimate controlling shareholder of the Company.

Company’s financial statements are included into the consolidated financial statements of Enel S.p.A., which can be obtained from the investor relations section of Enel S.p.A. official website (<http://www.enel.com>).

Corporate purpose

The Company operates as a financing company for the Group, raising funds through bond issuances, loans and other facilities and on turn, lending the funds so raised to the companies belonging to the Enel Group. The Company is also part of the centralising financial process and acts as the primary reference for the management of financial needs or liquidity generated by the Enel Group companies.

The Company acts solely as a financing company for Enel Group and therefore is not engaged in market competition in the energy sector with third parties.

The Company is managed by a Board of Directors composed of five members, appointed by the general meeting of shareholders, which may dismiss them at any time. The management board has the power to perform all acts of administration and disposition in compliance with the corporate objects of the Company.

The joint signatures of any two members of the management board or the single signature of any person to whom such signatory shall have been appointed by the management board may bind the Company.

Compliance with IFRS/IAS

The interim financial statements for the period ended 30 June 2020 have been prepared in accordance with international accounting standards (International Accounting Standards – IAS and International Financial Reporting Standards – IFRS) issued by International Accounting Standards Board (IASB), the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002 and in effect as of the close of the year. All of these standards and interpretations are hereinafter referred to as the “IFRS-EU”. The financial statements have also been prepared in conformity with the statutory provisions of the Netherlands Civil Code, Book 2, Title 9.

These financial statements were approved by the Board of Directors and authorised for issue effective on 28 July 2021

Basis of presentation

The financial statements consist of the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows, and the related notes.

The assets and liabilities reported in the financial position are classified on a “current/non-current basis”. Current assets, which include cash and cash equivalents, are assets that are intended to be used during the normal operating cycle of the Company or in the twelve months following the balance-sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the twelve months following the close of the financial year.

The income statement is classified on the basis of the nature of expenses, while the indirect method is used for the cash flow statement.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Restatement in presentation of the Statement of Comprehensive income

During the reporting period ended 30 June 2021, it was identified that the Statement of Comprehensive income for the period ended 30 June 2020 did not visibly reflect the income from primary activities as the revenue figure. The resulting restatement relates to the presentation of revenue and related expenses and several other items for the first half of 2020. The Company, as a principal, provides finance to other group companies for its own risk and rewards and therefore shall present interest income and interest expenses in the top lines of the Statement of Comprehensive income on a gross basis.

As a consequence, Euro 1,142 million and Euro 515 million have been restated in the top lines Interest Income and Interest Expense respectively, split from Net Financial income/ (expense).

Line items “Services” and “Personnel” have been aggregated in “Other operating expenses” and presented below “Net interest income/ (expense)” in total amount of Euro 1 million.

These restatements had no impact on net profit or on shareholders’ equity and assets and liabilities in the statement of financial position.

The comparative figures of the first half 2020 as previously reported have been restated by adjusting each of the affected line items in the Statement of Comprehensive Income. The following table summarizes the impact on the Statement of Comprehensive income for the period ended 30 June 2020:

Millions of euro

	1st half 2020	1st half 2020	
Interest income			
Interest income	-	433	433
Other income	-	709	709
	<i>(Subtotal)</i>	- 1,142	1,142
Interest expenses			
Interest expenses	-	(623)	(623)
Other expense	-	(4)	(4)
	<i>(Subtotal)</i>	- (627)	(627)
Net interest income/ (expense)			
	-	515	515
Other operating expense			
Other operating expense	-	(1)	(1)
Personnel	-	-	-
Services	(1)	1	-
	(1)	-	(1)
Financial income			
Interest income	433	(433)	-
Financial income from derivatives	359	-	359
Other financial income	935	(709)	226
	<i>(Subtotal)</i>	1,727 (1,142)	585
Financial expense			
Interest expenses	(627)	627	-
Financial income from derivatives	(371)	-	(371)
Other financial expense	(133)	-	(133)
	<i>(Subtotal)</i>	(1,131) 627	(504)
Net financial income/ (expense)			
	596	(515)	81
Income/(Loss) before taxes			
	595	-	595
Income Taxes	155	-	155
Net income for the year (attributable to the shareholder)			
	440	-	440
Other components of comprehensive income recyclable to profit or loss in future periods:			
- Effective portion of change in the fair value of cash flow hedges	(27)	-	(27)
- Change in the fair value of costs of hedging	72	-	72
Total comprehensive income/(loss) for the period			
	45	-	45

Functional and presentation currency

The financial statements are presented in euro, the functional currency of Enel Finance International N.V. All figures are shown in millions of euro unless stated otherwise.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Going Concern

The financial statements have been prepared on a going concern basis using the cost method, with the exception of items measured at fair value in accordance with IFRS-EU.

Enel S.p.A. would provide financial support to the Company should it not be able to meet its obligations. In relation to this, this annual intent has been formally confirmed by Enel S.p.A. in a support letter issued on 22 January 2021 and valid until next year's approval date of the Financial Statements, should the company remain under control of the Enel Group.

Based upon the assessment of management, supported by the fact that Enel S.p.A. is the guarantor of the bonds and the ECPs, management has not identified any going concern triggers and therefore has prepared these financial statements on a going concern basis.

Solvency

Given the objectives of the company, the Company is strictly economically interrelated with Enel S.p.A. In assessing the solvency as well as the general risk profile of the Company, the solvency of the Enel Group as a whole, headed by Enel S.p.A. should be considered.

Accounting policies and measurement criteria

The interim condensed financial statements for the six months ended at 30 June 2021 have been prepared in compliance with the international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB) recognized in the European Community pursuant to Regulation (EC) no. 1606/2002 and in effect as of the close of the period, as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC) in effect at the same date. All of these standards and interpretations are hereinafter referred to as "IFRS-EU".

More specifically, the interim condensed financial statements have been drawn-up in compliance with IAS 34 – Interim financial reporting and consist of the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes.

Please note that the Company adopts the half-year as the reference interim period for the purposes of applying IAS 34 and the definition of interim financial report specified therein.

The accounting standards adopted, the recognition and measurement criteria and methods used for the condensed interim financial statements at June 30, 2021 are the same as those adopted for the financial statements at December 31, 2020 (please see the related report for more information).

These condensed interim financial statements may therefore not include all the information required to be reported in the annual financial statements and must be read together with the financial statements for the year ended December 31, 2020.

Risk management

Market risk

As part of its operation as a financing company for the Enel Group, Enel Finance International N.V. is exposed to different market risks, notably interest rate and exchange rates risks. The primary objective of the Company is to mitigate such risks appropriately so that they do not give rise to unexpected changes in results.

In order to mitigate this risk, the Company employs financial derivative instruments such as interest rate swaps, currency forwards and cross currency interest rate swaps, that are negotiated both with Enel S.p.A. and on the market.

The derivatives compliant with IFRS 9 requirements can be designated as cash flow hedge or fair value hedge, otherwise are classified as trading.

There we no changes in the source of exposure to interest rate and exchange rate risk compared to the previous year.

Interest rate risk

Interest rate risk is the risk born by an interest-bearing financial instrument due to variability of interest rates. The optimal debt structure results from the trade-off between reducing the interest rate exposure and minimizing the average cost of debt.

The Company is exposed to interest rate fluctuation both on liabilities and on assets.

Interest rate swaps are stipulated to mitigate the exposure to interest rates fluctuation, thus reducing the volatility of economic results. Through an interest rate swap, the Company agrees with a counterparty to exchange, with a specified periodicity, floating rate interest flows versus fixed rate interest flows, both calculated on a reference notional amount. In order to ensure effectiveness, all the contracts have notional amount, periodicity and expiry date matching the underlying financial liability and its expected future cash flows.

The notional amount of outstanding contracts is reported below.

Millions of euro	Notional amount	
	Jun. 30 2021	Dec. 31 2020
Interest rate derivatives:		
Interest rate swap	2,607	2,605
Total	2,607	2,605

For more details, please refer to the note 16 and 17.

At 30 June 2021, 1.38 % of gross long term debt towards third parties was floating rate (1.50 % at 31 December 2020). Taking into account interest rate derivatives designated as cash flow hedge considered effective pursuant to the IFRS – EU, gross long term debt is mostly fully hedged against interest rate risk.

Exchange rate risk

Exchange rate risk is a type of risk that arises from the change in price of one currency against another. The Company exposure to such risk is mainly due to foreign currencies denominated flows, originated by financial assets and liabilities.

In order to mitigate this risk, the Company enters into plain vanilla transactions such as currency forwards and cross currency interest rate swaps. In order to ensure effectiveness, all the contracts have notional amount and expiry date matching the underlying expected future cash flows.

Cross currency interest rate swaps are used to transform a long-term fixed – or floating – rate liability in foreign currency into an equivalent fixed – or floating – rate liability in euro, while currency forwards are used to hedge intercompany loans.

Millions of euro	Notional amount	
	Jun. 30 2021	Dec. 31 2020
Foreign exchange derivatives:		
Currency forwards:	2,739	3,738
Cross currency interest rate swaps	17,622	15,992
Total	20,361	19,730

For more details, please refer to the note 16 and 17.

Credit risk

The Company's financial operations expose it to credit risk, i.e. the possibility that a deterioration in the creditworthiness of a counterparty has an adverse impact of the expected value of the creditor position or, for trade payables only, increase average collection items.

The exposure to credit risk is attributable to Lending and hedging transactions.

Enel Finance International N.V. is part of the centralising financial flow process and acts as the primary reference for the management of financial needs or liquidity generated by Enel Group entities. The Company manages its lending operations to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Finally, with regard to derivative transactions, risk mitigation is pursued with a uniform system for assessing counterparties, as well as with the adoption of specific risk mitigation clauses (e.g. netting arrangements) and possibly the exchange of cash collateral.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at 30 June 2021 and 31 December 2020 is the carrying amounts as illustrated in Note 6, 9 and 10.

Credit risk measurement

The Expected Credit Loss (i.e. ECL), determined considering Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD), is the difference between all contractual cash flows that are due in accordance with the contract and all cash flows that are expected to be received (i.e., all short falls) discounted at the original EIR.

EAD is established on a quarterly basis using outstanding exposure data. PD and LGD are determined at least annually.

The methods used in measuring main parameter are consistent with those used in the most recent annual report.

Liquidity risk

Liquidity risk manifests itself as uncertainty about the Company's ability to discharge its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company manages liquidity risk by implementing measures to ensure an appropriate level of liquid financial resources minimizing the associated opportunity cost and maintaining a balanced debt structure in terms of its maturity profile and funding sources.

On the short term, liquidity risk is mitigated by maintaining an appropriate level of unconditionally available resources.

On the long term, liquidity risk is mitigated by maintaining a balanced debt maturity profile for our debt, access to a range of resources of funding sources on different markets, in different currencies and with different counterparties.

The mitigation of liquidity risk enables the Company to maintain a credit rating that ensures access to the capital market and limits the cost of funds, with a positive impact on its performance and financial position.

The Company has an access to committed credit line with Mediobanca. The outstanding commercial paper programs with a maximum ceiling on 6,000 million, of which Euro 5,916 million undrawn at June 30, 2021 (Euro 3,261 million drawn at December 31, 2020).

Furthermore, Enel S.p.A. has confirmed through a letter dated 22 January 2021 its commitment to explicitly provide the Company with the financial support until the date of approval of full year 2021 financial statements of the Company. Enel S.p.A is a Guarantor on the bonds and commercial paper program.

Maturity analysis

The table below summarizes the maturity profile of the Company's long-term debt on contractual undiscounted payments.

Millions of Euro	Maturing in					
	2H2021	2022	2023	2024	2025	Beyond
<i>Bond</i>						
Listed Bond (Fixed rate)	881	2,377	1,216	3,732	2,382	11,295
Listed Bond (Floating rate)	2	166	159	105	51	-
Unlisted Bond (Fixed rate)	278	2,266	2,594	1,695	1,661	10,875
Total Bond	1,161	4,808	3,969	5,532	4,094	22,169

Notes to the financial statements

1 Interest income/ (expense) – Euro 251 million

Millions of euro	1st half		
	2021	2020	Change
Interest income:			
- interest income on long-term financial assets	315	400	(85)
- interest income on short-term financial assets	10	33	(23)
- other income	0	709	(709)
Total interest income	325	1,142	(817)
Interest expense:			
- interest expense on borrowings	4	(1)	5
- interest expense on bonds	(677)	(588)	(89)
- interest expense on commercial papers	(9)	(5)	(4)
- guarantee fee	(28)	(29)	1
- other expense	(90)	(4)	(86)
Total interest expense	(800)	(627)	(173)
Net interest income/ (expense)	(475)	515	(990)

Total interest income from financial assets amounted to Euro 325 million for the period ended 30 June 2021, having a decrease of Euro 817 million on the same period of 2020.

The change mainly reflected the following factors:

- the financial gain from the transfer of long-term loans granted to E-Distribuzione S.p.A, Enel Produzione S.p.A to Enel Italia S.p.A. (Euro 709 million) recognized in the first half of 2020;
- lower interest income from Enel subsidiaries and affiliates incorporated mainly in Italy (Euro 93 million), in Mexico (Euro 11 million), in Peru (Euro 5 million), in Canada (Euro 3 million) and Costa Rica (Euro 1 million)
- lower interest income from cash collaterals and bank deposits (Euro 7 million).

The decrease was partly offset by higher interest income from Enel subsidiaries and affiliates incorporated in Brazil (Euro 8 million), in the Netherlands (2 million), and Chile (2 million).

Interests expenses on financial debt totaled Euro 800 million increased by Euro 173 million mainly due to:

- additional expenses related to partial refinancing of four conventional bonds (Euro 90 million);
- the residual amount of costs to be amortized for repurchased bonds released to profit and loss (Euro 105 million);
- an increase of interest expenses attributed to bond issuance made in 2020 (Euro 4million);

This increase was partly offset by:

- lower interest expenses due to exchange rate differences (Euro 11million);
- decrease of interest attributed to the bonds repaid in 2020 (Euro 6 million);
- transfer of long-term loan granted to Enel Sole to Enel Italia S.p.A. (Euro 4 million) recognized in the first half of 2020;

- lower interests paid to Group companies (Euro 3 million)
- negative interest charges received from the Commercial Paper and cash collaterals (1 million);
- lower guarantee fees paid to Enel S.p.A (Euro 1 million)

2. Other operating expense – Euro (2) million

Other operating expense totaled to Euro 2 million having an increase by 1 million in respect to the same period 2020 and mainly refer to services.

3. Financial income/(expense)– Euro 93 million

3.1 Financial income/(expense) from derivatives

Millions of euro	1st half		
	2021	2020	Change
Financial income from derivatives:			
- income from cash flow hedge derivatives	675	223	452
- income from fair value hedge derivatives	29	-	29
- income from derivatives at fair value through profit or loss	147	136	11
Total finance income from derivatives	851	359	492
Financial expense from derivatives:			
- expenses from cash flow hedge derivatives	(97)	(228)	131
- expenses from derivatives at fair value through profit or loss	(229)	(143)	(86)
Total financial expense from derivatives	(326)	(371)	45
Net income/(expense) from derivatives	525	(12)	537

Net financial income from derivatives totaled to Euro 525 million and essentially reflected net financial income from cash flow derivatives (Euro 578 million), net financial expense from derivatives at fair value through profit and loss (Euro 82 million) and income from fair value hedge derivatives (Euro 29 million).

The deterioration of Euro 537 million compared with the previous year was due to increase in net financial income from cash flow hedge derivatives (Euro 583 million) partly offset by increase of net financial expenses from derivatives at fair value though profit and loss (Euro 75 million) and increase of financial income from fair value hedge derivatives (Euro 29 million).

For more detail about derivative financial instruments, please refer to the note 16 and 17.

3.2 Other net financial income/ (expense)

Millions of euro	1st half		
	2021	2020	Change
Other financial income			
- positive exchange rate differences	151	218	(67)
-reversal of impairment	-	8	(8)
Total other financial income	151	226	(75)
Other financial expenses			
-negative exchange rate differences	(583)	(133)	(450)
Total other financial expense	(583)	(133)	(450)
Net financial income/ (expense) other than from derivatives	(432)	93	(525)

Net other financial expense totaled to Euro 432 million essentially composed to net exchange rate differences:

- the negative revaluation of the outstanding value of bonds denominated in foreign currencies (Euro 548 million)

- positive foreign currency evaluation of non-euro group portfolio (Euro 116 million);

The amount of the foreign exchange losses arisen from the revaluation of notional amount of bonds (Euro 524 million) and the amount of forex exchange gains arisen from several loan demoninated in BRL and USD (Euro 45 million) are mitigated by the same amount recycled to the Cash Flow Hedge equity reserve.

4 Income tax (income)/expenses – Euro (93) million

Millions of euro	1st half		
	2021	2020	Change
Profit before income taxes	(384)	595	(979)
Withholding tax on foreign interests	5	9	(4)
Curent income tax	(1)	143	(144)
Deferred tax assets	(97)	3	(100)
Income taxes	(93)	155	(248)
<i>Effective tax rate</i>	<i>24%</i>	<i>26%</i>	

The Company has concluded a ruling with the taxation authority that covers the period January 1, 2017 until December 31, 2021. The Company has historically had an open collaboration with the taxation authority and is currently having conversations on the applicability of the ruling. Considering these conversations are at an early stage, this uncertainty is not measurable.

5 Deferred tax assets (liabilities) – Euro 97 million

Changes in deferred tax assets and deferred tax liabilities, grouped by type of temporary differences, are shown below.

Millions of euro	at Dec.31, 2020	Increase/ (Decrease) taken to income statement	Increase/ (Decrease) taken to equity	at Jun. 30, 2021
Deferred tax asset				
Nature of temporary differences:				
- losses with deferred deductibility	-	97	-	97
Total deferred tax assets	-	97	-	97

Deferred taxes in amount of Euro 97 million were accrued in respect to expenses of the partial refinancing of bonds and interest expenses not deductible in 2021 (temporary difference) which can be carried forward unlimited in time according to the Dutch tax law (earning stripping rules).

Deferred tax assets have not been recognized in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom

Millions of euro	at Jun. 30,2021		At Dec 31, 2020	
	Gross amount	Tax effect	Gross amount	Tax effect
- deductible temporary difference taken to equity	775	194	1,103	275
- deductible temporary difference taken to income statement	-	-	7	2
Total unrecognised deferred tax assets	194		277	

6 Long-term loans and financial receivables including portion falling due within twelve month – Euro 32,513 million

Long-term financial receivables totaled to Euro 32,513 million, having an increase of Euro 336 million compared to December 31, 2020.

Following table represents to medium long-term loans granted to Enel Group and affiliated companies:

Millions of Euro	at June. 30, 2021	at Dec. 31, 2020	Change
Long-term loans			
Loan receivable from Enel S.p.A.	11,098	11,156	(58)
Loan receivable from Enel Italia S.p.A.	8,750	8,750	-
Loan receivable from Endesa SA	3,000	3,000	-
Loan receivable from Enel Iberia Srl	3,529	3,704	(175)
Loan receivable from Enel Green Power S.p.A.	1,713	1,755	(42)
Loan receivable from Enel Chile SA	1,633	815	818
Loan receivable from Slovak Power Holding BV	487	453	34
Loan receivable from Enel Green Power México S de RL de Cv	234	231	3
Loan receivable from Enel Global Trading S.p.A.	200	200	-
Loan receivable from Enel Green Power Hellas SA	167	168	(1)
Loan receivable from Ampla Energia E Serviços S.A.	166	118	48
Loan receivable from Energía Limpia de Palo Alto S de RL de Cv	118	119	(1)
Loan receivable from Celg Distribuicao S.A. Celg D.	178	-	178
Loan receivable from Companhia Energetica Do Ceara - Coelce	85	-	85
Loan receivable from Energia Limpia de Amistad S de RL de CV	82	78	4
Loan receivable from PH Chucas SA	67	70	(3)
Loan receivable from EGP Magdalena Solar SA DE CV	69	69	-
Loan receivables from Dolores Wind Sa De Cv	68	69	(1)
Loan receivable from Parque Salitrillos SA de Cv	61	64	(3)
Loan receivable from Dominica Energía Limpia SA de RL de Cv	43	41	2
Loan receivable from Villanueva Solar SA de CV	42	39	3
Loan receivables from Parque Amistad II SA DE CV	32	32	-
Loan receivable from Enel Green Power Panama SA	30	32	(2)
Loan receivables from Parque Amistad III SA DE CV	31	31	-
Loan receivabl from Vientos del Altiplano S de RL de Cv	26	26	-
Loan receivable from Parque Solar Villanueva Tres SA de CV	28	26	2
Loan receivables from COHUNA SOLAR FARM Trust	26	24	2
Loan receivable from Parque Solar Don Jose SA de CV	17	16	1
Loan receivable from Enel X Korea Ltd	5	5	-
Loan receivables from NGONYE POWER COMPANY Ltd	2	2	-
Loan receivable from Viva Labs AS	2	2	-
Loan receivable from Enel Green Power del Sur SpA (Parque Eólico Renaico SpA)	-	525	(525)
Loan receivable from Energías Renovables La Mata SAPI de Cv	-	75	(75)
Loan receivable from Enel X Polska Sp. Zo.O.	-	1	(1)
Total loans	31,989	31,696	293
Expected credit loss	(34)	(34)	-
Total loans net of impairment	31,955	31,662	293

Short-term portion of long-term loans represented in the table below:

Millions of euro	at June. 30, 2021	at Dec. 31, 2020	Change
Short-term portion of long-term loans			
Loan receivable from Enel Iberia Srl	350	350	-
Loan receivable from Enel Green Power S.p.A.	85	77	8
Loan receivable from Enel S.p.A.	82	46	36
Loan receivable from PH Chucas SA	12	11	1
Loan receivable from Energía Limpia de Palo Alto S de RL de Cv	8	7	1
Loan receivable from Enel Green Power Panama SA	4	4	-
Loan receivable from Enel Green Power México S de RL de Cv	4	4	-
Loan receivable from Dolores Wind Sa De Cv	3	-	3
Loan receivable from EGP Magdalena Solar SA DE CV	3	-	3
Loan receivable from Parque Salitrillos SA de Cv	3	3	-
Loan receivable from Enel Green Power Hellas SA	2	2	-
Loan receivables from Parque Amistad II SA DE CV	1	-	1
Loan receivables from Parque Amistad III SA DE CV	1	-	-
Loan receivable from Energías Renovables La Mata SAPI de Cv	-	8	(8)
Loan receivables from COHUNA SOLAR FARM Trust	-	3	(3)
Total	558	515	43
Expected credit loss	-	-	-
Total loans net of impairment	558	515	43

The table below reports long-term financial receivables by currency and interest rate.

Millions of Euro	at June. 30, 2021	at June. 30, 2021	at Dec. 31, 2020	Effective interest rate
	Balance	Nominal value	Balance	
<i>Total Euro</i>	29,467	29,467	29,665	1.65%
Australian Dollar	27	27	26	2.83%
Brazilian Real	429	429	118	5.07%
Mexican Peso	152	152	150	12.41%
Norwegian Krone	2	2	2	3.73%
Polish zloty	-	-	1	
US dollar	2,468	2,471	2,247	3.24%
Zambian Kwacha	2	2	2	25.90%
<i>Total non-Euro currencies</i>	3,080	3,083	2,546	
Total	32,547	32,550	32,211	

7. Derivatives – Euro (646) million

Derivative instruments refer to: (i) Cash flow hedge derivatives used by the Company to hedge the exchange rate and interest rate fluctuations of bonds and long-term loans or receivables; (ii) derivatives at fair value through profit and loss used by the Company to mitigate the loan interest rate fluctuations.

Millions of euro	Non Current		Current	
	at Jun. 30, 2021	at Dec 31., 2020	at Jun. 30, 2021	at Dec 31., 2020
Derivative financial assets	299	144	6	54
Derivative financial liabilities	(845)	(1,539)	(106)	(4)

For more details about the nature, the recognition and classification of derivative financial assets and liabilities, please refer to the note 17.

8 Other non-current financial assets – Euro 39 million

Other non-current financial assets totaled Euro 39 million as at 31 June 2021 (Euro 37 million as at 31 December 2020) is accounted for transaction costs on Euro 10 billion sustainability-linked revolving credit facility negotiated on 5 March 2021 between Enel S.p.A, Enel Finance International N.V. and Mediobanca (Euro 1 million) and prepaid expenses of derivative agreements.

9 Short-term loans and financial receivables – Euro 2,094 million

The following table shows the breakdown of the short-term loans granted to Enel Group companies and affiliated companies:

Millions of euro	at June. 30, 2021	at Dec. 31, 2020	Change
Short-term loans			
Enel S.p.A. - Financial Services Agreement	1,609	2,275	(666)
Revolving short-term facility agreement with Enel Green Power Hellas Sa	152	152	-
Revolving short-term facility agreement with Enel Americas SA	38	122	(84)
Revolving short-term facility agreement with Enel Green Power México S de RL de Cv	67	37	30
Revolving short-term facility agreement with Enel Green Power RSA	22	16	6
Revolving short-term facility agreement with Enel Rinnovabile,S.A. de C.V.	16	16	-
Loan receivables from EPM Dolores Wind SA DE CV	21	16	5
Revolving short-term facility agreement with PARQUE AMISTAD IV SA	26	12	14
Revolving short-term facility agreement with EGP Magdalena Solar SA DE CV	12	8	4
Revolving short-term facility agreement with PARQUE AMISTAD II SA	14	8	6
Revolving short-term facility agreement with PARQUE AMISTAD III SA	20	7	13
Revolving short-term facility agreement with PH Chucas SA	6	6	-
Revolving short-term facility agreement with Parque Eolico Pampa Sa	0	4	(4)
Revolving short-term facility agreement with Enel Chile SA	84	2	82
Revolving short-term facility agreement with Enel Green Power Panama SA	9	-	9
Revolving short-term facility agreement with Enel X Japan K.K.	1	-	1
Revolving short-term facility agreement with Juicenet GmbH.	1	-	1
Total short term loans	2,098	2,681	(583)
Expected credit loss	(4)	(4)	-
Total loans net of impairment	2,094	2,677	(583)

The table below reports the short-term financial instruments granted to the Enel Group companies:

Facility Agreements denominated in Euro (millions)	Financial relationship	Commitment amount as at 30 Jun 2021	Rate of Interest	Spread as at 30 Jun 2021	Commitment fee as at 30 Jun 2021
Enel Green Power Hellas SA	Revolving credit facility	16.05	EUR EURIBOR 3M	3.10%	35% of the margin
Enel Green Power Hellas SA	Revolving credit facility	2.65	EUR EURIBOR 3M	3.10%	35% of the margin
Enel Green Power Hellas SA	Revolving credit facility	20.00	EUR EURIBOR 3M	3.10%	35% of the margin
Enel Green Power Hellas SA	Revolving credit facility	23.20	EUR EURIBOR 3M	3.10%	35% of the margin
Enel Green Power Hellas SA	Revolving credit facility	3.40	EUR EURIBOR 3M	3.10%	35% of the margin
Enel Green Power Hellas SA	Revolving credit facility	35.00	EUR EURIBOR 3M	3.10%	35% of the margin
Enel Green Power Hellas SA	Revolving credit facility	39.50	EUR EURIBOR 3M	3.10%	35% of the margin
Enel Green Power Hellas SA	Revolving credit facility	5.55	EUR EURIBOR 3M	3.10%	35% of the margin
Enel Green Power Hellas SA	Revolving credit facility	6.30	EUR EURIBOR 3M	3.10%	35% of the margin
Endesa SA	Revolving credit facility	1,700.00	EUR EURIBOR	0.65%	0.20%
Enel Global Trading SPA	Revolving credit facility	600.00	EUR EURIBOR	1.90%	35% of the margin
Juice Net (Germany)	Revolving credit facility	1.00	EUR EURIBOR 3M	1.75%	35% of the margin
Facility Agreements denominated in USD\$ (millions)	Financial relationship	Commitment amount as at 30 Jun 2021	Rate of Interest	Spread as at 30 Jun 2021	Commitment fee as at 30 Jun 2021
Enel Americas S.A.	Revolving credit facility	500.00	US LIBOR	1.08%	35% of the margin
EPM Dolores Wind SA DE CV	Revolving credit facility	50.00	US LIBOR 1/3/6 M	1.50%	35% of the margin
EGP Magdalena Solar S.A de C.V	Revolving credit facility	25.00	US LIBOR 1/3/6 M	1.50%	35% othe margin
Enel Green Power Mexico S.A.	Revolving credit facility	35.00	US LIBOR 3M	3.50%	35% othe margin
Enel Green Power Mexico S.A.	Revolving credit facility	45.00	US LIBOR 3M	3.00%	35% othe margin
Parque Amistad II SA DE CV	Revolving credit facility	35.00	US LIBOR 3M	1.50%	35% othe margin
Parque Amistad III SA DE CV	Revolving credit facility	35.00	US LIBOR 3M	1.50%	35% othe margin
Parque Amistad IV SA DE CV	Revolving credit facility	55.00	US LIBOR 3M	3.50%	35% othe margin
Enel Rinnovable SA DE CV	Revolving credit facility	20.00	US LIBOR 3M	3.50%	35% othe margin
Enel Green Power Peru S.A.	Revolving credit facility	20.00	US LIBOR 3M	2.00%	35% othe margin
PH Chucas S.A.	Revolving credit facility	10.00	US LIBOR 3M	1.10%	35% othe margin
Enel Chile S.A.	Revolving credit facility	290.00	US LIBOR	1.00%	35% of the margin
Enel Chile S.A.	Revolving credit facility	50.00	US LIBOR	0.90%	0,25% of the margin
Enel Green Power Panama S.R.L.	Revolving credit facility	15.00	US LIBOR 3M	0.40%	35% othe margin
Facility Agreements denominated in NOK (millions)	Financial relationship	Commitment amount as at 30 Jun 2021	Rate of Interest	Spread as at 30 Jun 2021	Commitment fee as at 30 Jun 2021
Enel X Norway AS	Revolving credit facility	8.00	NIBOR 3M	3.20%	35% of the margin
Facility Agreements denominated in PLN (millions)	Financial relationship	Commitment amount as at 30 Jun 2021	Rate of Interest	Spread as at 30 Jun 2021	Commitment fee as at 30 Jun 2021
Enel X Polska Sp. Z.o.o.	Revolving credit facility	7.00	WIBR 3M	2.56%	35% of the margin

Facility Agreements denominated in RON (millions)	Financial relationship	Commitment amount as at 30 Jun 2021	Rate of Interest	Spread as at 30 Jun 2021	Commitment fee as at 30 Jun 2021
Enel X Romania	Revolving credit facility	4.77	BUBR 3M	2.30%	35% of the margin
Enel X Mobility Romania	Revolving credit facility	2.39	BUBR 3M	2.30%	35% of the margin
Enel Energy Trade	Revolving credit facility	8.00	BUBR 3M	2.00%	35% of the margin
Facility Agreements denominated in ZAR (millions)	Financial relationship	Commitment amount as at 30 Jun 2021	Rate of Interest	Spread as at 30 Jun 2021	Commitment fee as at 30 Jun 2021
EGP RSA PTY LTD	Revolving credit facility	1,800.00	fixed	6.20%	35% of the margin
Facility Agreements denominated in SEK (millions)	Financial relationship	Commitment amount as at 30 Jun 2021	Rate of Interest	Spread as at 30 Jun 2021	Commitment fee as at 30 Jun 2021
Enel X Sweden	Revolving credit facility	0.50	Stib 3M	1.70%	35% othe margin
Facility Agreements denominated in JPY (millions)	Financial relationship	Commitment amount as at 30 Jun 2021	Rate of Interest	Spread as at 30 Jun 2021	Commitment fee as at 30 Jun 2021
Enel X Japan	Revolving credit facility	135.00	JY0003M	1.50%	35% othe margin

10 Other current financial assets – Euro 984 million

Millions of euro

	at June. 30, 2021	at Dec. 31, 2020	Change
Cash collateral on derivatives	836	1,396	(560)
Current financial accrued income and other current financial receivables	148	183	(35)
Total other current financial assets	984	1,579	(595)

While other current financial assets are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

11 Cash and cash equivalents – Euro 277 million

Cash and cash equivalent represent the cash availability deriving by the turnover of lending portfolio of the Company, temporary not invested in lending activities within Enel Group and placed in time deposits operations with primary bank counterparties.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Cash balances are mostly denominated in euro. Cash balances are not restricted by any encumbrances.

12 Shareholder's equity – Euro 2,144 million

Share capital – Euro 1.479 million

The authorized share capital of the company amounts to Euro 2.500 million, divided into 2.500 million of shares, each share with a nominal value of Euro 1,0 each.

The issued and paid-up share capital amounts to Euro 1.478,8 million represented by 1.478.810.371 shares with nominal value of Euro 1,0 each increased by 1 share as a result of demerger of Enel Green Power International B.V.

Legal reserves includes reserves such as share premium reserve, reserve from effective portion of change in the fair value of cash flow hedges and reserve from cost of hedging.

Share premium reserve (legal reserve) – Euro 1,026 million

The reserve arises from the cross-border merger finalized during 2010 between Enel Finance International S.A. and Enel Trading RUS B.V. (Euro 43 million) and demerger of net assets from Enel Green Power International B.V. in October 2016 (Euro 983 million).

Reserve from effective portion of change in the fair value of cash flow hedges (legal reserve) – Euro (902) million

The reserve includes the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions.

Considering the nature of the reserve (legal), up to the amount of the negative balance of this reserve, no distributions may be charged to the free reserves.

For more details about the nature, the recognition and classification of derivative financial assets and liabilities, please refer to the note 17.

Reserve from cost of hedge (legal reserve) – Euro 127 million

This reserve includes net gains (losses) recognised directly in equity resulting from the measurement of fair value cost of hedging (i.e. time value, forward element and currency basis) when excluded from hedging relationship.

For more details please refer to the note 17.

Capital Management

It is policy of the Company to maintain a strong capital base to preserve creditors and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital that the Company defines as total shareholder's equity, and the level of dividends to ordinary shareholders.

The return of capital is calculated as a percentage of financial result on total equity net of cash flow hedge and cost of hedging reserves excluded in this key performance indicator because Company's management preferred to exclude evaluation equity reserves which might be quite volatile over the periods:

Millions of euro	at June 30, 2021	at Dec. 31, 2020
Total Equity	2,144	2,116
Cash flow hedge and cost of hedging reserves	(775)	(1,094)
Adjusted equity	2,919	3,210
Net financial result	(291)	217
Return of capital (*)	-10%	7%

* Key Performance Indicator determined on a yearly basis.

The developments in the level of its debt in relation to equity is summarised in the following table.

Millions of euro

	At June 30, 2021	at Dec. 31, 2020
Non-current financial debt	29,850	28,858
Net current financial position	(858)	(922)
Non-current financial receivables and long-term securities	(31,955)	(31,662)
Net financial debt	(2,963)	(3,726)
Shareholders' equity	2,114	2,116
Debt/Equity ratio	(1.38)	(1.76)

There were no changes in the Company's approach to capital management during first half of 2021. The Company is not subject to externally imposed capital requirements.

13 Long-term loans and borrowings (including the portion falling due within twelve months) – Euro 32,212 million

This note provides information about the contractual terms of the Company's interest bearing loans and borrowings, which are measured at amortised cost. For more information about the Company's exposure to interest rate, foreign currency and liquidity risk see paragraph "Risk management".

The aggregate includes long-term payables in respect of bonds, bank loans, revolving credit facility and other loans in Euro and other currencies.

The following table shows the nominal values, carrying amounts of long-term debt at 30 June 2021, including the portion falling due within 12 months, grouped by type of borrowing and type of interest rate:

Millions of Euro

	Balance	Nominal value	Portion falling due after more than 12 months	Current portion	Balance	Nominal value	Portion falling due after more than 12 months	Current portion
	at June 30, 2021	at June 30, 2021	at June 30, 2021	at June 30, 2021	at Dec. 31, 2020	at Dec. 31, 2020	at Dec. 31, 2020	at Dec. 31, 2020
<i>Bond</i>								
Listed Bond (Fixed rate)	18,161	18,548	17,628	533	15,757	16,229	15,225	532
Listed Bond (Floating rate)	448	450	349	100	448	450	448	-
Unlisted Bond (Fixed rate)	13,603	13,679	11,874	1,729	13,185	13,262	13,185	-
Total Bond	32,212	32,677	29,851	2,362	29,390	29,941	28,858	532

At 30 June 2021 fair value of fixed rated bond amounted to 36,073 million (Euro 34,217 million at 31 December 2020). Fair value of variable rate bonds totaled to 470 million (Euro 473 million at 31 December 2020).

The table below reports long-term financial debt by currency and interest rate.

	at June. 30, 2021	at June. 30, 2021	at Dec. 31, 2020	at June. 30, 2021	
	Balance	Nominal value	Balance	Current average interest rate	Effective interest rate
<i>Total Euro</i>	15,347	15,696	13,060	2.06%	2.56%
US dollar	13,384	13,452	12,971	4.13%	4.30%
British pound	3,158	3,206	3,031	4.85%	4.98%
Swiss Franc	323	323	328	1.81%	1.84%
<i>Total non-Euro currencies</i>	16,865	16,981	16,330		
Total	32,212	32,677	29,390		

The table below reports changes in the nominal value of long-term debt during the year.

	Nominal value	New financing	Capitalised interests on ZCB	Repayments	Exchange rate differences	Nominal value
	at Dec. 31, 2020					at June. 30, 2021
Bonds in non-Euro currencies and Euro currency	29,941	3,250	5	(1,069)	550	32,677
Total long-term financial debt	29,941	3,250	5	(1,069)	550	32,677

Debt covenants

The main long-term financial debts of the Company are governed by covenants containing undertakings by the borrowers (Enel S.p.A. and the Company) and by Enel S.p.A. as guarantor that are commonly adopted in international business practice. The main covenants for the Company are related to the bond issues carried out within the Euro / Global Medium-Term Notes Programme and the Revolving Facility Agreement executed on 5 March 2021 by Enel S.p.A. and the Company with a pool of banks of up to Euro 10 billion.

For more detailed description, please see the 2020 financial statements.

14 Short-term loans and borrowings – Euro 480 million

Millions of Euro	at Jun. 30, 2021	at Dec. 31, 2020	Change
Short-term borrowings from Enel Group companies	359	460	(101)
Commercial papers	84	2,739	(2,655)
Cash collaterals on derivatives	37	106	(69)
Short-term financial debt	480	3,305	(2,825)

Short-term borrowings

The table below summarises the main borrowings and repayments made in the first half of 2021:

Millions of Euro

	Original currency	Euro countervalue at 30 June 2021	Euro countervalue at 31 Dec 2020	Change
Enel Green Power Romania Srl	RON	203	124	79
Enel Iberia S.r.l.	Euro	64	223	(159)
Generadora Montecristo SA	USD	59	60	(1)
Enek Fortuna SA	USD	8	33	(25)
Enel Green Power Costa Rica SA	USD	1	7	(6)
Enel Investment Holding B.V.	Euro	1	2	(1)
Kongul Enerji Sanayive Ticaret Anonim Sirket	TRY	3	3	-
EnerNOC Ireland Limited	Euro	2	3	(1)
Enel Green Power Mexico S de RL de CV	USD, MXN	11	3	8
Enel X UK Limited	GBP	1	1	-
EGP Australia Pty Ltd	AUD	-	1	(1)
Enel Servizio Elettrico S.p.A.	Euro	-	-	-
Proveedora de Electricidad de Occidente S de RL de Cv	USD	6	-	6
Parque Amistad IV SA DE CV	USD	-	-	-
Total		359	460	(101)

Commercial Papers

The payables represented by commercial papers relate to outstanding issuances at 30 June 2021 in the context of the Euro Commercial Paper Programme (hereinafter, also "ECP Programme"), launched in 2005 by the Company and guaranteed by Enel S.p.A.

Under the ECP Programme the Company can issue short-term promissory notes issued in the interest-bearer form up to an amount of Euro 6.000 million. Each note can be denominated in any currency, with a minimum denomination of Euro 500.000 (or GBP 100.000, or USD 500.000, or JPY 100 million or its equivalent in the relevant currency) and a maturity between one day and one year. The notes may be issued on a discounted basis or may bear fixed or floating interest rate or a coupon calculated by reference to an index or formula, and are not listed on any stock exchange.

The total nominal value of commercial papers issued and not yet reimbursed as of 30 June 2021 was Euro 84million (Euro 2,739 million at 31 December 2020).

15 Other current financial liabilities – Euro 482 million

Other current financial liabilities amounted to Euro 482 million and increased by Euro 87 million and mainly related to interest expenses accrued on debt outstanding at 30 June 2021.

16 Fair value measurement

In compliance with the disclosure requirements under paragraph 15B 9(k) of IAS 34, the Company determines fair value in conformity with IFRS 13 any time that treatment is required by an international accounting standard.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability. The best estimate is the market price, i.e. its current price, publicly available and effectively traded on an active, liquid market.

The fair value of assets and liabilities is categorized into a fair value hierarchy that provides three levels defined as follows on the basis of the inputs to valuation techniques used to measure fair value:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities to which the company has access at the measurement date;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3: inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

There were no changes in the level of the fair value hierarchy used for purposes of measuring financial instruments compared with the most recent annual report. The methods used in measuring Level 2 and 3 fair value are consistent with those used in the most recent annual report.

17 Hedging activities and derivatives

For a more complete discussion of the hedging instruments used by the Company to manage the various risks associated with its business, please see the financial statements at 31 December 2020.

The following table reports the fair value of derivative contracts broken down by type of risk and designation.

Millions of euro	Non Current				Current			
	Notional amount		Fair value		Notional amount		Fair value	
	at June. 30, 2021	31 Dec 2020	at June. 30, 2021	31 Dec 2020	at June. 30, 2021	31 Dec 2020	at June. 30, 2021	31 Dec 2020
DERIVATIVE ASSETS								
Cash flow hedge								
on interest rate risk	743	806	40	54	-	-	-	-
on foreign exchange risk	7,937	2,479	196	24	-	-	-	-
Total	8,680	3,285	236	77	-	-	-	-
Fair value hedge								
on interest rate risk	-	-	-	-	-	-	-	-
on foreign exchange risk	583	557	14	3	-	-	-	-
Total	583	557	14	3	-	-	-	-
At fair value through profit or loss								
on interest rate risk	462	449	49	65	-	-	-	-
on foreign exchange risk	-	-	-	-	558	3,230	6	50
Total	462	449	49	65	558	3,230	6	50
TOTAL DERIVATIVE ASSETS	9,725	4,292	299	145	558	3,230	6	50
DERIVATIVE LIABILITIES								
Cash flow hedge								
on interest rate risk	840	900	(71)	(94)	100	-	(2)	-
on foreign exchange risk	8,003	13,513	(723)	(1,379)	1,682	-	(84)	-
Total	8,843	14,413	(794)	(1,473)	1,782	-	(86)	-
At fair value through profit or loss								
on interest rate risk	462	449	(51)	(67)	-	-	-	-
on foreign exchange risk	-	-	-	-	2,181	508	(20)	(4)
Total	462	449	(51)	(67)	2,181	508	(20)	(4)
TOTAL DERIVATIVE LIABILITIES	9,305	14,862	(845)	(1,539)	3,963	508	(106)	(4)

18 Related parties

Transactions between Enel Finance International N.V. and other companies of Enel Group involve Financing and Treasury management.

The main activity of Enel Finance International N.V. is to operate as financing company of the Enel Group, raising funds through bonds issuance, loans and other facilities and on turn lending the funds so raised to the companies belonging to Enel Group.

Enel Finance International N.V. is also part of the centralizing financial flow process and acts as the primary reference for the management of financial needs or liquidity generated by the entities that operate outside of Italy and are part of Enel Group.

The company enters into plain vanilla transaction with Enel S.p.A., such as currency forwards and cross currency interest rate swaps in order to mitigate the interest and exchange rates risks.

These transactions are part of the ordinary operations of the Company and are settled on the basis of Standard intra-Group contract market prices.

Enel Finance International N.V. has no business relations with Key management during the financial year.

The following table summarizes the financial relationships between the Company and its related parties at 30 June 2021 and comparative period respectively:

Millions of euro				
	Receivables	Payables	Income	Cost
	at June 30, 2021		1H2021	
Shareholder				
Enel S.p.A	12,833	31	93	29
<i>(Subtotal)</i>	12,833	31	93	29
Other related parties	-	-	-	-
Villanueva Solar, S.A. De C.V.	43	-	3	-
Ampla Energia E Servicios S.A.	169	-	18	-
Parque Solar Villanueva Tres, S.A. De C.V.	29	-	2	-
Parque Solar Don Jose, S.A. De C.V.	17	-	1	-
Energia Limpia de Amistad, S. de C.V.	81	-	8	-
Enel Green Power Peru Sa (USD)	-	-	-	-
Slovak Power Holding B.V.	501	-	14	-
Enel Green Power Romania Srl	-	203	2	-
Parque Salitrillos, S.A. de C.V.	68	-	4	-
Enel Energia, S.A. de C.V.	-	-	-	-
Ngonye Power Company Limited	1	-	-	-
Enel Green Power Argentina Sa	-	-	-	-
Enel Green Power Australia Pty Ltd	-	-	1	1
Enel Green Power Canada Inc.	-	-	-	-
Tynemouth Energy Storage Limited	-	-	-	-
Companhia Energetica Do Ceara - Coelce	86	-	13	-
Enel Rinnovabile, S.A. de C.V.	16	-	1	-
Kino Contractor S.A. de C.V.	-	-	-	-
Dolores Wind Sa De Cv	92	-	5	-
Parque Amistad Ii Sa De Cv	47	-	2	-
Parque Amistad Iii Sa De Cv	52	-	2	-
Parque Amistad Iv Sa De Cv	25	-	2	1
Enel Green Power Hellas Sa	321	-	11	-
Endesa SA	3,014	-	47	-
Enel Brasil S.A	-	-	1	-
Enel Green Power Chile Ltda	-	-	-	-

Enel Green Power Costa Rica S.A.	-	1	-	-
Parque Eolico Pampa Sa	-	-	-	-
Enel Iberia SRL	3,888	64	13	-
Enel Fortuna SA	-	8	-	1
Enel Green Power Bulgaria EAD	-	-	-	-
Enel Green Power International BV	-	-	-	-
Enel Green Power Spa GLO	1,882	-	19	15
ENEL INVESTMENT HOLDING BV	-	3	-	(1)
Enel North America, Inc.	-	-	-	-
Enel Green Power Panama SA	44	-	2	-
Enel Servicii Comune SA	-	-	-	-
Enel Italia Srl IT	8,766	-	68	-
Egp Magdalena Solar SA de CV	83	-	5	-
Enel Global Trading Spa IT	201	-	5	-
Enel Trade Romania Srl	-	-	-	-
Enel Green Power Global Investment Bv	-	-	-	-
Eletropaulo Metropolitana Eletricidade De Sao Paulo S.A.	-	-	-	-
Enel X Uk Limited	-	1	-	-
EnerNOC Ireland Limited	-	2	-	-
Enel X Polska Sp. Zo.O.	-	-	-	-
Pincher Creek Lp	-	-	-	-
Riverview Lp	-	-	-	-
Enel Americas S.A.	37	-	4	1
Generadora Montecristo, S.A.	-	59	-	2
Hidromac Energy BV	-	-	-	-
Enel Green Power Mexico S de RL de CV	303	11	17	1
Enel Finance America, Llc	-	-	-	-
Enel X Korea Limited	5	-	-	-
PH Chucas S.A.	84	-	5	-
Enel X Japan K.K.	1	-	-	-
Juicenet Gmbh	1	-	-	-
Enel X Mobility Romania SRL	-	-	-	-
Enel X Romania SRL	-	-	-	-
Cohuna Solar Farm Pty Ltd	26	-	1	1
Provedora de Electricidad de Occidente Srl de cv	-	6	-	-
Enel X Norway AS	-	-	-	-
Enel Green Power Colombia Sas Esp	-	-	-	-
Enel Global Services S.r.l.	-	-	-	-
Celg Distribuicao S.A. Celg D.	180	-	25	-
Enel X Sweden AB	-	-	-	-
Enel Insurance NV	-	-	-	-
Viva Labs AS	2	-	-	-
EGP Americas SpA	-	-	-	14
ENEL TRADE ENERGY SRL	-	-	-	-
Dominica Energia Limpia S.A. de C.V.	43	-	4	-
Energias Renovables La Mata SAPI de CV	-	-	5	(1)
Enel Green Power Rsa (PTY) Ltd	22	-	3	1
Kongul Enerji Sanayi Ve Ticaret Anonim Sirketi	-	3	1	-
Enel Green Power Chile SA	5	-	25	-
Energia Limpia De Palo Alto, S. De R.L. De C.V.	138	-	8	-
Vientos de Altiplano, S. de R.L. de C.V.	26	-	3	-
Generadora Estrella Solar, S.A.	-	-	-	-
Kirklareli Eolico Enerji Elektrik Uretim Ve Ticaret Anonim Sirketi	-	-	-	-
Enel Chile S.A.	1,728	-	39	3
(Subtotal)	22,027	361	389	39
Total	34,860	392	482	68

Millions of euro

	Receivables	Payables	Income	Cost
	at Dec. 31, 2020		1H2020	
Shareholder				
Enel S.p.A	12,332	144	73	43
	(Subtotal)	12,332	144	73
<i>Other affiliated companies</i>				
e-distribuzione SpA	-	-	102	(9)
Enel Iberia SRL	4241	77	15	-
Enel Green Power Bulgaria EAD	4	-	-	-
Enel Fortuna SA	-	36	1	1
ENEL INVESTMENT HOLDING BV	-	5	-	-
Enel Green Power Panama SA	43	-	2	-
Enel Produzione IT	-	-	32	(3)
Enel Italia Srl IT	8772	-	755	8
Servizio Elettrico Nazionale SpA	-	-	-	1
Enel Sole Srl	-	-	1	-
Enel Global Trading Spa IT	797	-	11	1
Kongul Enerji Sanayi Ve Ticaret Anonim Sirketi	-	4	1	-
Generadora Montecristo, S.A.	-	38	-	-
PH Chucas S.A.	102	-	4	-
Enel Green Power Peru Sa (USD)	142	-	6	-
Endesa SA	3013	-	43	-
Enel Green Power Chile SA	575	-	10	-
Enel Green Power Canada Inc.	111	-	4	6
Enel Green Power Costa Rica S.A.	-	4	-	-
Enel Green Power Romania Srl	-	124	1	-
Enel Green Power Mexico S de RL de CV	277	115	17	5
Proveedora de Electricidad de Occidente Srl de cv	-	-	6	9
Dominica Energia Limpia S.A. de C.V.	37	-	3	8
Energias Renovables La Mata SAPI de CV	94	-	4	-
Energia Limpia De Palo Alto, S. De R.L. De C.V.	159	-	5	3
Vientos de Altiplano, S. de R.L. de C.V.	23	-	2	5
Villanueva Solar, S.A. De C.V.	43	-	2	-
Parque Solar Villanueva Tres, S.A. De C.V.	29	-	1	-
Parque Solar Don Jose, S.A. De C.V.	17	-	1	-
Enel Green Power Rsa (PTY) Ltd	3	-	1	1
Enel Green Power Hellas Sa	325	-	11	-
Enel Chile S.A.	899	-	18	2
Enel Green Power Spa GLO	3210	-	55	(1)
Slovak Power Holding B.V.	455	-	12	-
Energia Limpia de Amistad, S. de R.L. de C.V.	70	-	6	17
Parque Salitrillos, S.A. de C.V.	80	-	2	1
Enel Energia, S.A. de C.V.	-	-	1	-
Enel Americas S.A.	134	-	-	3
Ngonye Power Company Limited	2	-	-	1
Enel Green Power Argentina Sa	4	-	-	-
Enel Green Power Australia Pty Ltd	-	2	1	3
Tynemouth Energy Storage Limited	8	-	-	1
Enel X North America, Inc.	5	-	-	-
Enel Rinnovabile, S.A. de C.V.	17	-	1	-
Kino Contractor S.A. de C.V.	8	-	-	-
Dolores Wind Sa De Cv	49	-	7	3
Parque Amistad Ii Sa De Cv	34	-	2	1
Parque Amistad Iii Sa De Cv	34	-	3	1
Parque Amistad Iv Sa De Cv	9	27	6	3
Parque Eolico Pampa Sa	4	-	-	-
Egg Magdalena Solar SA de CV	84	-	5	1
EnerNOC Ireland Limited	2	-	-	-
Riverview Lp	-	-	-	1
Finance America, Llc	-	-	1	4
Juicenet Gmbh	1	-	-	-
Cohuna Solar Farm Pty Ltd	26	-	1	1
Enel Green Power Colombia Sas Esp	27	-	1	-
	(Subtotal)	23,969	432	1,163
Total		36,301	576	1,236
				121

For further details of the each relation with related parties please refer to notes 6, 9, 14.

19 Contractual commitments and guarantees

The notes issued by the Company under the GMTN programme are guaranteed by Enel S.p.A. Commercial papers issued in the context of the Euro Commercial Paper Programme launched in 2005 by the Company are also guaranteed by Enel S.p.A. Furthermore, Enel S.p.A has confirmed their commitment to provide the Company with support until next year's approval of the financial statements, should the Company remain under control of the Enel S.p.A. The Company has not given guarantees to third parties up to the reporting date.

20 Offsetting financial assets and financial liabilities

At 30 June 2021, the Company did not hold offset positions in assets and liabilities, as it is not the Enel policy to settle financial assets and liabilities on a net basis.

21 Compensation of Directors

The emoluments of the Company Directors as intended in Section 2:383 (1) of the Dutch Civil Code, which were charged in the first half of 2021, amounted to Euro 58 thousand (Euro 58 thousand in the first half of 2020) represented short-term employee benefits and summarized in the following table:

Thousands of euro	at Jun. 30,2021	at Jun. 30, 2020
A.J.M. Nieuwenhuizen	14.50	14.50
H. Marseille	14.50	14.50
E. Di Giacomo	14.50	14.50
J. Homan	14.50	14.50
A. Canta	-	-
Total	58	58

22 Contingent assets and liabilities

BEG Litigation

Following an arbitration proceeding initiated in Italy by BEG S.p.A. (BEG) , in 2002 Enelpower S.p.A. (Enelpower) obtained a ruling in its favor, which was upheld by the Court of Cassation in 2010, which entirely rejected the claim for damages with regard to an alleged breach by Enelpower of an agreement concerning the construction of a hydroelectric power station in Albania. Subsequently, BEG, acting through its subsidiary Albania BEG Ambient Shpk (ABA), a company registered under the laws of Albania, filed suit against Enelpower and Enel S.p.A. (Enel) in Albania concerning the same matter, obtaining a ruling from the District Court of Tirana, upheld by the Albanian Court of Cassation, ordering Enelpower and Enel to pay tortious damages of about €25 million for 2004 as well as an unspecified amount of tortious damages for subsequent years. Following the ruling, ABA demanded Enel to pay more than €430 million.

With a ruling of 16 June 2015, the first instance was completed in the additional suit lodged by Enelpower and Enel with the Court of Rome asking the Court to ascertain the liability of BEG for having evaded compliance with the arbitration ruling issued in Italy in favor of Enelpower through the legal action taken by ABA. With this action, Enelpower and Enel asked the Court to find BEG liable and order it to pay damages in the amount that the other could be required to pay to ABA in the event of the enforcement of the sentence issued by the Albanian Courts. With the ruling, the

Court of Rome found that BEG did not have standing to be sued, or alternatively, that the request was not admissible for lack of an interest for Enel and Enelpower in bringing proceedings, as the Albanian ruling had not yet been declared enforceable in any court. The Court ordered the setting off of Court costs. Enel and Enelpower appealed the ruling before the Rome Court of Appeal, asking that it be overturned in full. The hearing, scheduled for 13 November 2019, and then postponed on 7 May 2020, was scheduled again for 11 November 2021. On 5 November 2016, Enel and Enelpower filed a petition before the Albanian Court of Cassation, asking for the ruling issued by the District Court of Tirana on 24 March 2009 to be voided. The proceeding is still pending.

PROCEEDINGS UNDERTAKEN BY ALBANIA BEG AMBIENT SHPK TO OBTAIN ENFORCEMENT OF THE RULING OF THE DISTRICT COURT OF TIRANA OF 24 MARCH 2009

ABA had initiated two proceedings before the Courts of the State of New York and Ireland requesting execution of the Albanian sentence in both States. Both decisions ruled in favor of Enel and Enelpower, respectively, on 23 February and 26 February 2018. Accordingly, there are no lawsuits pending in Ireland or New York State.

FRANCE

In February 2012, ABA filed suit against Enel and Enelpower with the Tribunal de Grande Instance in Paris (TGI) in order to render the ruling of the Albanian court enforceable in France. Enel and Enelpower challenged the suit. Following the beginning of the case before the TGI, again at the initiative of ABA, between 2012 and 2013 Enel France was served with two orders for the precautionary attachment of receivables "Saisie Conservatoire de Créances" to conserve any receivables of Enel in respect of Enel France. On 29 January 2018, the TGI issued a ruling in favour of Enel and Enelpower, denying ABA the recognition and enforcement of the Tirana court's ruling in France for lack of the requirements under French law for the purposes of granting exequatur. Among other issues, the TGI ruled that: (i) the Albanian ruling conflicted with an existing decision, in this case the arbitration ruling of 2002 and (ii) the fact that BEG sought to obtain in Albania what it was not able to obtain in the Italian arbitration proceeding, resubmitting the same claim through ABA, represented fraud. ABA appealed the ruling. The hearing before the Paris Court of Appeal was held on 2 February 2021, and the issuance of the decision is currently awaited. On the 4th May 2021, the Court of Appeal issued a decision, rejecting ABA's appeal, and condemning the latter to reimburse Enel and Enelpower € 200.000,00 for each company as legal expenses. In particular, the Court of Appeal fully confirmed the decision issued by the TGI on the 29th January 2018, with specific regard to the irreconcilability of the Albanian ruling with the arbitral award of 2002, which, having value of res judicata under French law, does not need any incidental control by the French judge. On the 21st June 2021, ABA filed an appeal before the Cour de Cassation against the decision issued by the Court of Appeal of Paris.

THE NETHERLANDS

At the end of July 2014, ABA filed suit with the Court of Amsterdam to render the ruling of the Albanian Court enforceable in the Netherlands. On 29 June 2016, the court filed its judgment, which: (i) ruled that the Albanian ruling meets the requirements for recognition and enforcement in the Netherlands; (ii) ordered Enel and Enelpower to pay ABA €433,091,870.00, in addition to costs and ancillary charges of €60,673.78; and (iii) denied ABA's request to declare the ruling provisionally enforceable. On 29 June 2016, Enel and Enelpower filed appeals against the ruling of the Court of Amsterdam issued on the same date. On 27 September 2016, ABA also appealed the

Court's ruling of June 29, 2016, to request the reversal of its partial loss on the merits. On 11 April 2017, the Amsterdam Court of Appeal granted the request of Enel and Enelpower to join the two pending appeals.

In a ruling of 17 July 2018, the Amsterdam Court of Appeal upheld the appeal advanced by Enel and Enelpower, ruling that the Albanian judgment cannot be recognized and enforced in the Netherlands. The Court of Appeal found that the Albanian decision was arbitrary and manifestly unreasonable and therefore contrary to Dutch public order. For these reasons, the Court did not consider it necessary to analyse the additional arguments brought by Enel and Enelpower. The proceedings before the Court of Appeal continued with regard to the subordinate question raised by ABA in the appeal proceedings, aimed at obtaining the Court ruling on the merits of the Albanian judgement and, in particular, on the alleged non-contractual liability of Enel and Enelpower in the failure to build the plant in Albania. On 3 December 2019, the Amsterdam Court of Appeal issued a ruling in which it quashed the trial court judgment of 29 June 2016, rejecting any claim made by ABA. The Court came to this conclusion after affirming its jurisdiction over Albania BEG Ambient Shpk's subordinate claim and re-analysing the merits of the case under Albanian law. Enel and Enelpower are therefore not liable to pay any amount to ABA, which in overturn was ordered by the Court of Appeal to reimburse the appellant companies for the losses incurred for having undergone illegitimate conservative seizures, to be quantified as part of a specific procedure, and the costs of the trial and appeal proceedings. On 3 March 2020, ABA filed an appeal before the Supreme Court of the Netherlands challenging the ruling issued by the Court of Appeal. On 3 April 2020, Enel and Enelpower appeared before the Dutch Supreme Court. Following the exchange of written pleadings between the parties, on 17 July 2021, the Supreme Court assigned the Advocate General a deadline in order to issue its opinion on the case. On 5 February 2021, the Advocate General rendered its opinion in favour of Enel and Enelpower, concluding for the reject of the appeal submitted by ABA. On 19 February 2021, ABA filed a response to the opinion of the Advocate General. The issuance of the decision is currently awaited. On 16 July 2021, the Supreme Court fully rejected ABA's claims, convicting the latter to reimburse legal expenses. The decision has become *res judicata* and, therefore, no proceedings is pending in the Netherlands.

LUXEMBOURG

In Luxembourg, again at the initiative of ABA, J.P. Morgan Bank Luxembourg SA was also served with an order for the precautionary attachment of any receivables of Enel. In parallel ABA filed a claim to obtain enforcement of the ruling of the Court of Tirana in that country. The proceeding is still under way and no ruling has been issued yet.

23 Subsequent events

Multi-tranche USD 4 billion sustainability-linked bond in the U.S. and international markets

The Company placed a multi-tranche USD 4 billion equivalent to about Euro 3.4 billion.

The issue is structured in the following four tranches:

- USD 1.25 billion U.S. at a fixed rate of 1.375%, with settlement date set on 12 July 2021, maturing 12 July 2026:
 - the issue price was set at 99.510% and the effective yield at maturity is equal to 1.477%;
 - the interest rate will remain unchanged to maturity, subject to achievement of a Sustainability Performance Target ("SPT") equal to or lower than 148gCO₂eq/kWh as of 31 December 2023;
 - if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-

party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Enel Group;

- USD 1 billion at a fixed rate of 1.875%, with settlement date set on 12 July 2021, maturing 12 July 2028:

- the issue price was set at 99.596% and the effective yield at maturity is equal to 1.937%;
- the interest rate will remain unchanged to maturity, subject to achievement of a SPT equal to or lower than 148gCO₂eq/kWh as of 31 December 2023;
- if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Enel Group;

- USD 1 billion at a fixed rate of 2.250%, with settlement date set on 12 July 2021, maturing 12 July 2031:

- the issue price was set at 99.378% and the effective yield at maturity is equal to 2.320%;
- the interest rate will remain unchanged to maturity, subject to achievement of a SPT equal to or lower than 148gCO₂eq/kWh as of 31 December 2023;
- if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Enel Group;

- USD 0.75 billion at a fixed rate of 2.875%, with settlement date set on 12 July 2021, maturing 12 July 2041:

- the issue price was set at 98.769% and the effective yield at maturity is equal to 2.957%;
- the interest rate will remain unchanged to maturity, subject to achievement of a SPT equal to or lower than 82gCO₂eq/kWh as of 31 December 2030;
- if the SPT is not achieved, a step-up mechanism will be applied, increasing the rate by 25 bps as of the first interest period subsequent to the publication of the report issued by a third-party expert in respect of the Direct Greenhouse Gas Emissions Amount and the methodology for measuring CO₂eq emissions applied by the Group.

Bond repurchase for an aggregate nominal value of 6 billion US dollars

On 27 July 2021 the Company repurchased in cash four of its conventional bonds, guaranteed by Enel, for an aggregate nominal value of USD 6 billion, following the exercise of a redemption option provided for in the offering documents of the relevant bonds.

Amsterdam, 28 July 2021

A. Canta

H. Marseille

E. Di Giacomo

A.J.M. Nieuwenhuizen

J. Homan