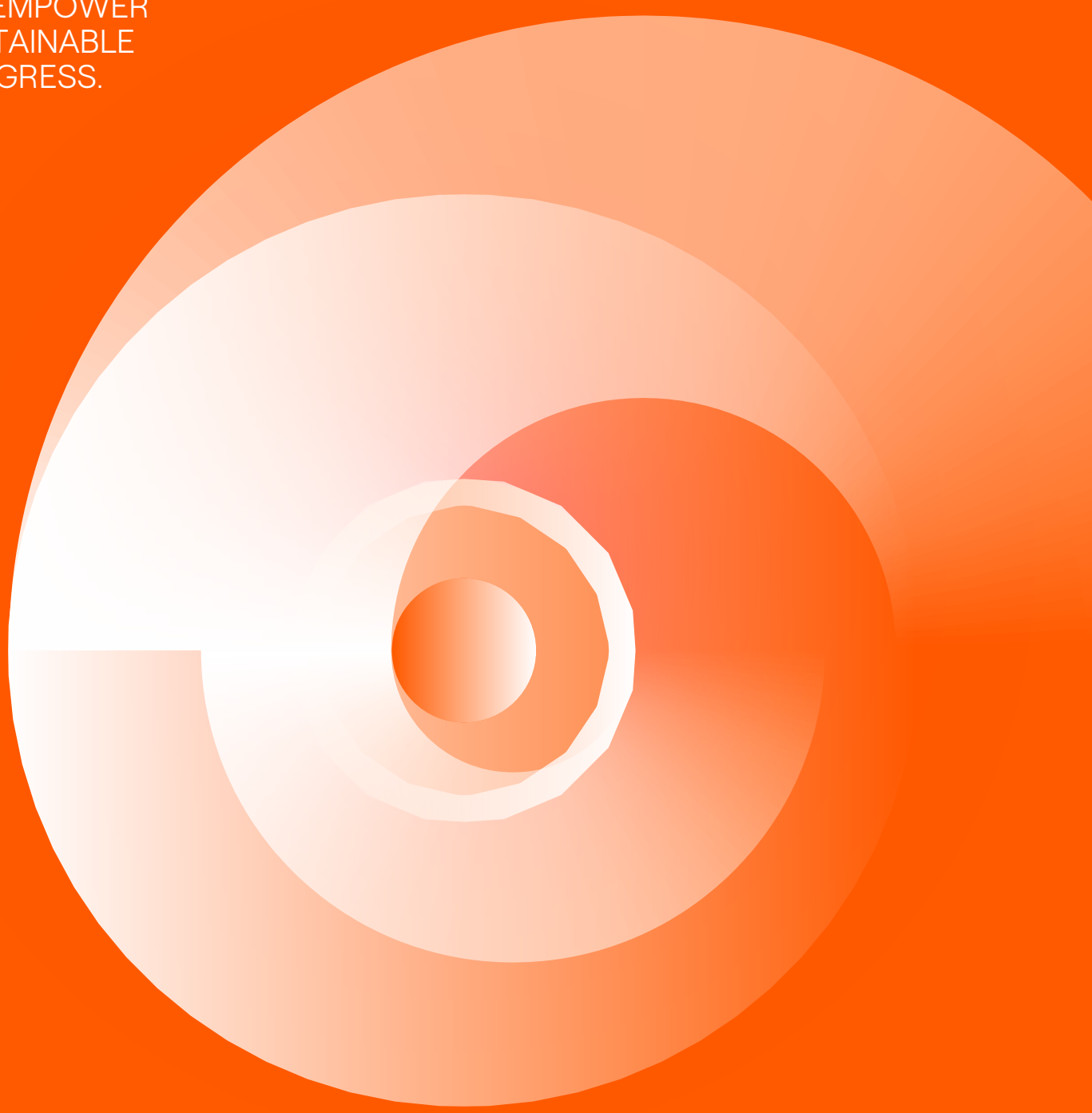


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POWER
FOR A
BRIGHTER
FUTURE.**

WE EMPOWER
SUSTAINABLE
PROGRESS.



Half-Yearly Financial Report
30 June 2023

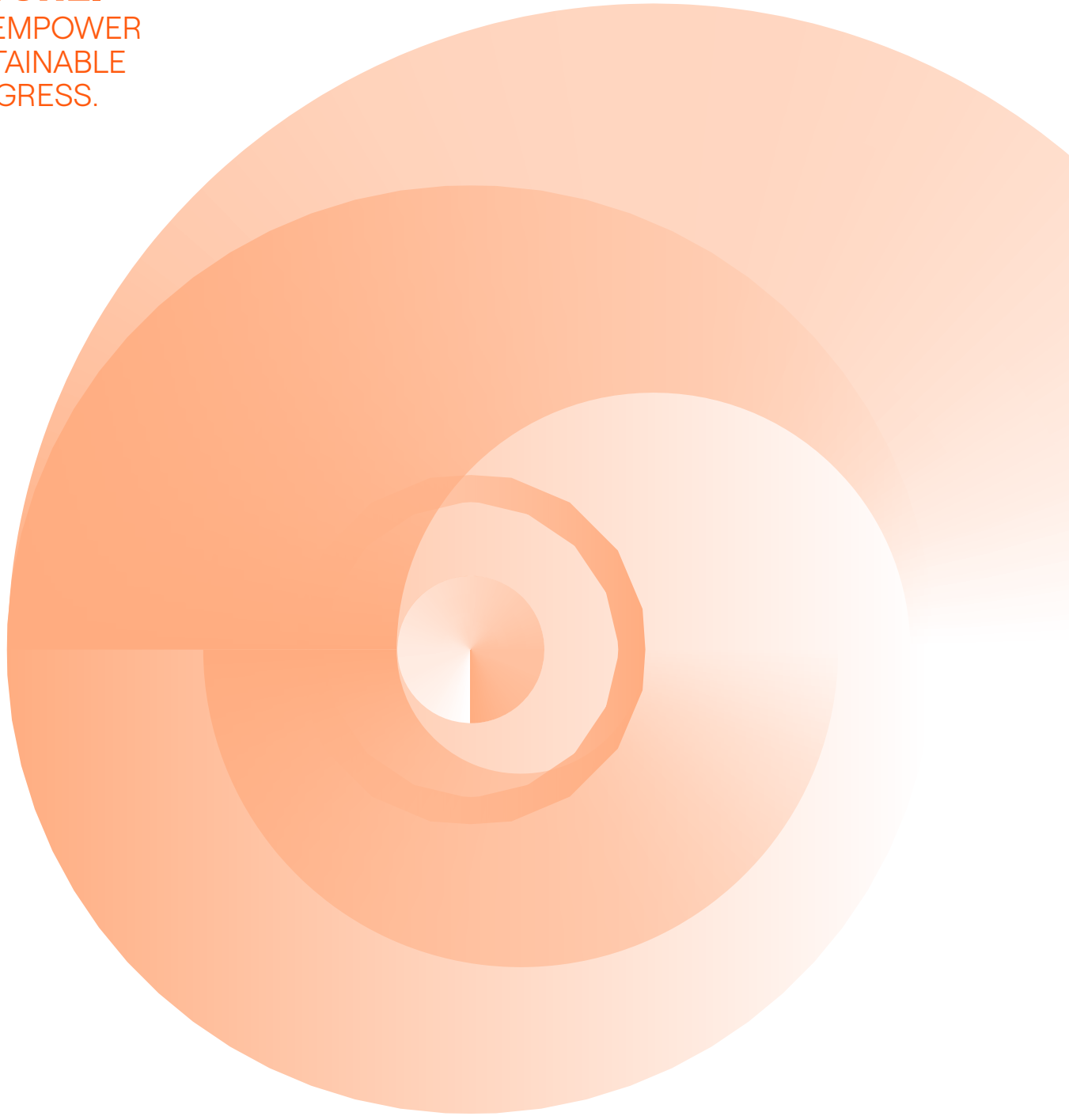
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endesa

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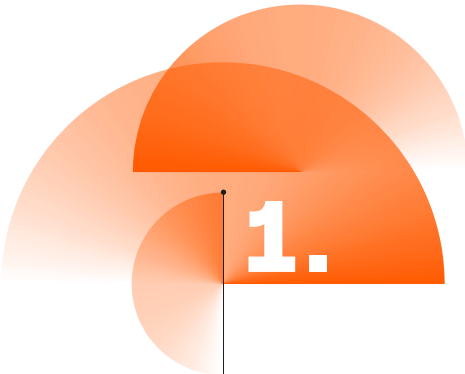
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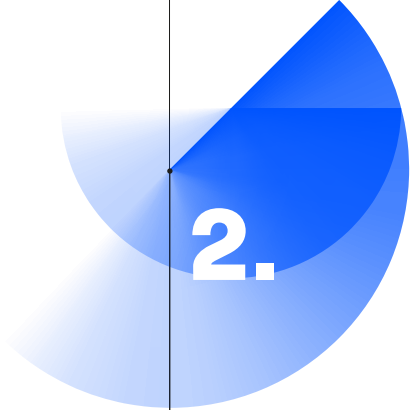
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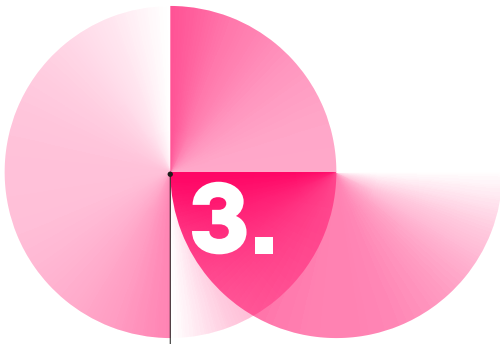
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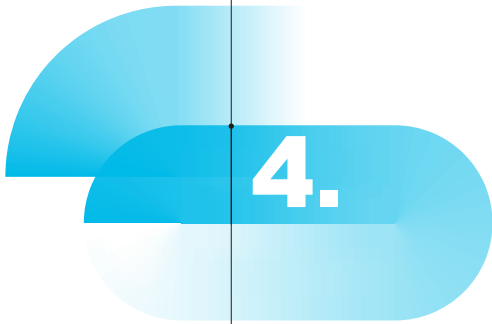
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1.



Limited Review Report on the Interim Condensed Consolidated Financial Statements



Limited review report on Endesa, S.A. and subsidiaries

(Together with the interim condensed consolidated financial statements and consolidated management report of Endesa, S.A. and subsidiaries for the six-month period ended 30 June 2023)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)



KPMG Auditores, S.L.
Pº. de la Castellana, 259 C.
28046 Madrid

Report on Limited Review of Interim Condensed Consolidated Financial Statements

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of Endesa, S.A., commissioned by the Directors of Endesa, S.A.

REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Introduction

We have carried out a limited review of the accompanying interim condensed consolidated financial statements (the "interim financial statements") of Endesa, S.A. (the "Parent") and subsidiaries (the "Group"), which comprise the statement of financial position at 30 June 2023, the income statement, statement of other comprehensive income, statement of changes in equity, statement of cash flows for the six-month period then ended, and explanatory notes (all condensed and consolidated). The Directors of the Parent are responsible for the preparation of these interim financial statements in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union, pursuant to article 12 of Royal Decree 1362/2007 as regards the preparation of condensed interim financial information. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of Review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

Based on our limited review, which can under no circumstances be considered an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2023 have not been prepared, in all material respects, in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union, pursuant to article 12 of Royal Decree 1362/2007 as regards the preparation of condensed interim financial statements.



2

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Emphasis of Matter

We draw your attention to the accompanying note 2, which states that these interim financial statements do not include all the information that would be required in a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The accompanying interim financial statements should therefore be read in conjunction with the Group's consolidated annual accounts for the year ended 31 December 2022. This matter does not modify our conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The accompanying consolidated interim management report for the six-month period ended 30 June 2023 contains such explanations as the Directors of the Parent consider relevant with respect to the significant events that have taken place in this period and their effect on the interim financial statements, as well as the disclosures required by article 15 of Royal Decree 1362/2007. The consolidated management report is not an integral part of the interim financial statements. We have confirmed that the accounting information contained therein is consistent with that disclosed in the interim financial statements for the six-month period ended 30 June 2023. Our work is limited to the examination of the consolidated management report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of Endesa, S.A. and subsidiaries.

Other Matter

This report has been prepared at the request of the Company's Directors in relation to the publication of the six-monthly financial report required by article 100 of Securities Market and Investment Services Law 6/2023 of 17 March 2023.

KPMG Auditores, S.L.

(Signed on original in Spanish)

Estíbaliz Bilbao Belda

25 July 2023

2.



Consolidated Management Report

Endesa is Open Power



OUR PURPOSE

OPEN POWER FOR A BRIGHTER FUTURE

WE EMPOWER
SUSTAINABLE
PROGRESS

VISION

Endesa combines the strength of a global organisation with the opportunities of an open connected world to make energy affordable and sustainable, and to ensure security of supply.

Aware of the profound changes that the industry is experiencing, Endesa finds itself in a new era for energy that is more open, participatory and digital. This strategic positioning is summarised in the concept of Open Power, which constitutes the Company's mission, vision and values.



MISSION

«Open Power» means opening access to energy to more people, opening the world of energy to new technologies, opening the management of energy to people, opening the possibility of new energy uses and opening up to more partnerships.

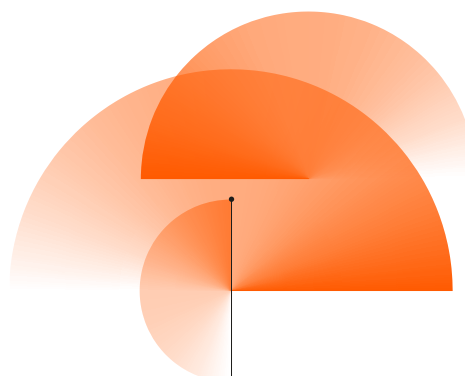
- **Open energy to more people:** Working to connect more people to safe and sustainable energy.
- **Opening energy to new technologies:** Leading the development and application of new technologies to generate and distribute more sustainable energy focusing, in particular, on renewable energy sources and smart distribution grids.
- **Open new ways of managing energy for consumers:** Developing more tailored services for people to help them use energy more efficiently concentrating, in particular, on smart meters and digitalisation.
- **Open energy to new uses:** Developing new services based on energy to meet global challenges, focusing particularly on connectivity and electric mobility.
- **Forging more and more alliances:** Training a network of research, technology, product development and marketing partners to create new solutions together.

VALUES

Endesa's values are the pillars of its behaviour and reflect its commitment to people.

- **Responsibility:** All of our employees are responsible for Endesa's success, at all levels, always acting within the framework of our social responsibility strategy and complying with tax regulations.
- **Innovation:** Endesa works to open energy to new uses, technologies and people, learning from its successes and its failures.
- **Trust:** Endesa acts competently, honestly and transparently to earn the trust of its employees, customers and external partners, valuing individual differences.
- **Proactiveness:** Endesa continuously analyses global scenarios and challenges to be ahead of the curve and redefine its priorities as the context requires.

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Legend

Activity	Description of activity
	Conventional Generation
	Renewable Generation
	Energy Supply
	Marketing of other Products and Services
	Distribution
	Structure and Services

Endesa



1. Key figures


Revenue €

Revenue	Gross operating income (EBITDA) ⁽¹⁾
-11.6%	+13.2%
€13,121 million	2,476 million
€14,851 million in the period from January to June 2022	2,188 million in the period from January to June 2022

Performance

Net income ⁽¹⁾	Net ordinary income ⁽¹⁾	Net financial debt ⁽¹⁾
-4.0%	+19.8%	-2.5%
€879 million	€879 million	€10,597 million
€916 million in the period from January to June 2022	€734 million in the period from January to June 2022	€10,869 million at 31 December 2022

Investment

Gross investments in property, plant and equipment and intangible assets	Cash flows from operating activities	People 
+15.6%	NA	+0.1%
€1,104 million	€1,615 million	9,271 employees
€955 million in the period from January to June 2022	€(169) million in the period from January to June 2022	9,258 employees at 31 December 2022

Renewable and conventional generation

Net installed capacity	Net installed mainland renewable capacity	Electricity generation ⁽²⁾	Generation of renewable electricity ⁽²⁾
-%	-%	-5.3%	+17.3%
22,044 MW	9,196 MW	29,490 GWh	7,291 GWh
22,044 MW at 31 December 2022	9,196 MW at 31 December 2022	31,140 GWh in the period from January to June 2022	6,215 GWh in the period from January to June 2022

Distribution

Distribution and transmission networks	Energy distributed ⁽³⁾	End users ⁽⁴⁾	Ratio of digitalised customers ⁽⁵⁾
+0.2%	+1.5%	+0.4%	
318,488 km	67,049 GWh	12,504 thousand	99%
317,829 km at 31 December 2022	66,078 GWh in the period from January to June 2022	12,459 thousand at 31 December 2022	100% at 31 December 2022

Marketing of electricity and gas

Net electricity sales ⁽⁶⁾	Number of electricity customers ^{(7) (8)}	Number of electricity customers (deregulated) ⁽⁹⁾	Public and private electricity charging stations
-2.0%	-0.0%	+0.4%	+19.3%
37,702 GWh	10,540 thousand	6,858 thousand	16,586 units
38,485 GWh in the period from January to June 2022	10,545 thousand at 31 December 2022	6,829 thousand at 31 December 2022	13,898 units at 31 December 2022

Gas sales ⁽¹⁰⁾	Number of gas customers ⁽¹¹⁾
-1.4%	+0.7%
35,449 GWh	1,812 thousand
35,936 GWh in the period from January to June 2022	1,799 thousand at 31 December 2022

Marketing of other products and services




⁽¹⁾ See definition in Section 9 of this Consolidated Management Report.
⁽²⁾ In power plant busbars.
⁽³⁾ Energy supplied to customers, with or without a contract, auxiliary consumption from generators and outputs to other grids (transmission and distribution).
⁽⁴⁾ Customers of distributors.
⁽⁵⁾ Number of digitalised customers / End users (%).

⁽⁶⁾ Sales to end customers.
⁽⁷⁾ Supply points.
⁽⁸⁾ Customers of supply companies.
⁽⁹⁾ Customers of deregulated companies.
⁽¹⁰⁾ Excluding own generation consumption.
⁽¹¹⁾ Supply points.

2. World Economic Forum (WEF). Key performance indicators (KPIs)

The World Economic Forum (WEF) has defined standard metrics, in the form of key performance indicators (KPIs), for preparing reports and measuring and comparing the sustainability of companies through its «*Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation*» report. This seeks to measure the effectiveness of actions to achieve the United Nations Sustainable Development Goals (SDGs) in the business model in place to create value for stakeholders.

The following table shows the 21 core key performance indicators (KPIs) described in the World Economic Forum (WEF) report, arranged in accordance with the four core conceptual pillars of the Environmental, Social, Governance (ESG) criteria, and how these correspond to the key performance indicators (KPIs) detailed in this Consolidated Management Report.

WORLD ECONOMIC FORUM			Consolidated Financial Report for the First Half of 2023			
Pillar	Topic	21 core KPIs	KPIs representing the 21 World Economic Forum core KPIs	30 June 2023	References ⁽¹⁾	
Governance principles 	Corporate governance purpose	Setting purpose	–		Chapter on Corporate Governance	
	Quality of governing body	Governing body composition	Women on the Board of Directors (%)	42	Section 4.1	
	Stakeholder engagement	Material topics affecting stakeholders	–		Section 3	
	Ethical behaviour	Anti-corruption	Reported proven breaches (number)	–		Sections 5.1, 8.1 and 15.1.2
			Employees who have received training in anti-corruption policies and procedures (%)	16.1		
	Risks and opportunity oversight	Protected ethics advice and reporting mechanisms	Total Reported Events Received through the Information Channel for Possible Infractions (n.) ⁽²⁾	3		Sections 5.1 and 8.1
			Integrating risk and opportunity into business processes	–		Section 8
Planet 	Climate change	Greenhouse gas (GHG) emissions	CO ₂ emissions, scope 1 – Specific (gCO ₂ eq/kWh)	184		
		CO ₂ emissions, scope 3 greenhouse gasses (GHG) attributable to gas supply (t)	5,550,727		Section 11.2	
		Carbon Dioxide (CO ₂) emissions Scope 1 and 3 integrated electricity (gCO ₂ eq/kWh)	196			
		Implementation of Task Force on Climate-related Financial Disclosures (TCFD)	–		Chapters: Corporate Governance, Strategy and Risks and Performance and metrics	
	Nature loss	Land use and ecological sensitivity	Area covered by facilities in natural spaces (km ²)	374 ⁽³⁾		Section 11.2
Fresh water availability	Fresh water consumption in water stressed areas	Extraction of freshwater in areas of water stress (%)	10.7		Section 11.2	
People 	Dignity and equality	Diversity and inclusion	Percentage of women in total final workforce (%)	26.5	Note 43.1	
		Pay equality	Wage gap. Fixed + variable remuneration + social benefits (%)	6.1 ⁽⁴⁾		N/A
		Wage level	Remuneration ratio of the Chief Executive Officer	32 ⁽⁵⁾		N/A
		Risk of incidents of child, forced or compulsory labour	Evaluation of the supply chain for protection from child labour and prohibition of forced and compulsory labour			Section 5.2



			Consolidated Financial Report for the First Half of 2023			
Pillar	Topic	21 KPIs Principales	KPIs representing the 21 World Economic Forum core KPIs	30 June 2023	References ⁽¹⁾	
 People	Health and wellbeing	Health and safety	Number of fatal accidents (number) ⁽⁶⁾	—	Section 15.2	
			Fatal accident frequency ratio ⁽⁷⁾	—		
			Fatal accident frequency ratio ⁽⁸⁾	—		
			Number of serious accidents (number) ⁽⁶⁾	2		
			Frequency of serious accidents index ⁽⁷⁾	—		
			Frequency of serious accidents index ⁽⁸⁾	0.08		
	Skills for the future	Training provided	Average training given per employee (average number of hours of training) ⁽⁹⁾	23.87	Section 15.1.2	
 Prosperity	Wealth creation and employment	Total amount and employment rate	New employee hires (number)	301	Section 15.1.1	
			Hiring rate (%) ⁽¹⁰⁾	3.2		
			Contracts coming to an end (number)	201		
			Turnover rate (%) ⁽¹¹⁾	2.2		
			Economic contribution	—	Section 11.4	
		Contribution to financial investment	Total gross investment (million Euro)	1,104	Section 12.6	
			Purchases of treasury shares (million Euro) ⁽¹²⁾	5	Note 32.1.3	
			Dividends paid (million Euro)	1,678 ⁽¹³⁾	Section 17.2	
Innovation in better products and services	Total R+D+i Expenditure	Gross direct investment in research, development and innovation (R+D+i) (million Euro)	91 ⁽¹⁴⁾	N/A		
Community and social vitality	Total tax paid	Economic value distributed public administrations (millions of Euro)	1,132	Section 11.4		

⁽¹⁾ Sections of this Consolidated Management Report and Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

⁽²⁾ Two of the complaints are currently under investigation.

⁽³⁾ At 31 December 2022.

⁽⁴⁾ Difference in age-weighted average fixed, variable and social benefits remuneration of men's salaries compared to women's salaries (%) for the period January-June 2023.

⁽⁵⁾ Ratio of the total remuneration of the Chief Executive Officer of Endesa and the average gross annual remuneration of Endesa employees in 2022.

⁽⁶⁾ Includes own and subcontractor personnel.

⁽⁷⁾ In-house personnel.

⁽⁸⁾ Subcontracted personnel.

⁽⁹⁾ Average training given per employee (average number of hours of training).

⁽¹⁰⁾ Percentage of new hires compared to final workforce.

⁽¹¹⁾ Percentage of contracts ending compared to final workforce.

⁽¹²⁾ Total accumulated cost of acquiring treasury shares at 30 June 2023.

⁽¹³⁾ Dividend paid on 3 July 2023.

⁽¹⁴⁾ Gross direct investment in research, development and innovation (R+D+i) in 2022 (see Section 13.4 of the Consolidated Management Report for the year ended 31 December 2022).

3. Value creation and sustainable business model

3.1. Value creation

The inclusion of both financial and non-financial information in this Consolidated Management Report enables effective communication of the business model and its value-creation process, both with regard to its results and to the outlook in the short, medium and long term. This provides an overview for partners and stakeholders to make their business decisions with sufficient information, as environmental, social and economic aspects are becoming increasingly important.

The diagram below outlines Endesa's value creation by showing the key figures and how they are transformed into

results and value created for stakeholders, in accordance with Endesa's organisation and business model, which is strongly rooted in solid and transparent corporate governance and a sustainable strategy that prioritises, among other aspects, the achievement of Sustainable Development Goals (SDGs) 7, 9, 11 and 13. These Sustainable Development Goals (SDGs) are therefore Endesa's strategic objectives and create value for the company and its stakeholders.



PLANET

81.2 l/MWh Specific Extraction of Water for Industrial Use in the Electricity Generation Process.

10.7% Extraction of Water for Industrial Use in Areas under Water Stress.



PEOPLE

9,271 number of employees in Endesa workforce.

26.5% Women in Final Workforce.

21.3% Women in management positions.



PROSPERITY

Financial Community

10,597 millions of euro Net Financial Debt ⁽¹⁾

64% Sustainable Debt / Gross Financial Debt

6,231 millions of euro Net equity of the parent company

1,104 millions of euro Gross Investments in Property, Plant and Equipment and Intangible Assets

1,669 millions of euro Intangible assets

29 millions of euro Concessions (part of Intangible Assets)

22,416 millions of euro Property, plant and equipment

Customers

10,540 thousands of Electricity Customers ^{(2) (3)}

6,858 thousands of Electricity Customers on the Deregulated Market ⁽⁴⁾

16,586 number of Public and Private Electric Charging Points

12,504 thousands of End Users ⁽⁵⁾

99% Ratio of Digitalised Customers ⁽⁶⁾

Suppliers

25,594 Number of Full-Time Equivalent Contractors (FTE)

Operational Performance

22,044 MW Net Installed Capacity

9,293 MW Net Installed Capacity from Renewable Sources

29,490 GWh Electricity Generation

318,488 Km of Distribution and Transmission Networks



PRINCIPLES OF GOVERNANCE

42% Women on the Boards of Directors

3 number of Total Reported Events Received through the Reporting Channel for Possible Violations

- number of Verified Violations

⁽¹⁾ See definition in Section 9 of this Consolidated Management Report.

⁽²⁾ Supply points

⁽³⁾ Customers of the supply companies.

⁽⁴⁾ Customers of deregulated supply companies.

⁽⁵⁾ Customers of distributors.

⁽⁶⁾ Number of digitalised customers / End users (%).

⁽⁷⁾ Average training given per employee (average number of hours of training).

⁽⁸⁾ Percentage of contracts ending compared to final workforce.

EXTERNAL



Purpose

OOPEN POWER FOR A BETTER FUTURE

WE PROMOTE SUSTAINABLE PROGRESS

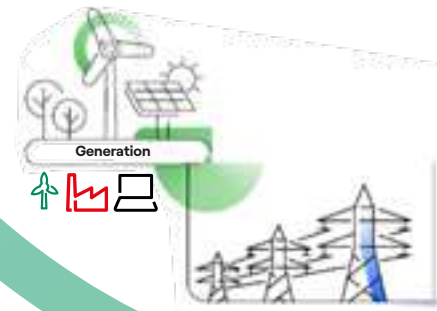
Values ▶ **TRUST** ▶ **PROACTIVITY** ▶

Strategic pillars

1 Earmarking capital to support decarbonised electricity supply

2 Achieving electrification of customer energy demand

Value Chain



CORPORATE GOVERNANCE

GROUP STRATEGY AND

RISKS AND

⁽⁹⁾ Frequency ratio = (Number of accidents or Number of serious accidents or Number of fatal accidents / Number of hours worked) x 10⁶.

⁽¹⁰⁾ See definition in Section 11.4 of this Consolidated Management Report.

⁽¹¹⁾ Dividends paid on 3 July 2023.

⁽¹²⁾ Energy supplied to customers, with or without a contract, auxiliary consumption from generators and outputs to other grids (transmission and distribution).

⁽¹³⁾ Sales to end customers.

⁽¹⁴⁾ Source: In-house. Figures for the last 12 months.

Value created for Endesa and our stakeholders

CONTEXT

Results

Impacts



Vision

- Open Power to solve some of our world's greatest challenges.

Mission

- Open Energy to more people.
- Open Energy to New Technologies.
- Open up New Ways of Managing Energy for the Consumer.
- Open Energy to New Uses.
- Open to more Collaboration.



3 Enhancing sustainable value creation along the value chain

4 Anticipating the achievement of sustainable Net-Zero targets by 2040



OUTLOOK

RISK MANAGEMENT

OPPORTUNITIES

PLANET

184 gCO₂eq/kWh Specific Greenhouse Gas (GHG) emissions from the Power Generation process (Scope 1).

5,550,727 Tons of Carbon Dioxide (CO₂) Emissions Scope 3 of Greenhouse Gases (GHG) Imputable to Gas Sales

196 gCO₂eq/kWh Carbon Dioxide Emissions (CO₂) Scope 1 and 3 integrated electricity

SDGs

- 6
- 12
- 13
- 14
- 15

PEOPLE

23.87 hours of Training (average per employee) ⁽⁷⁾

2.2% Turnover rate ⁽⁸⁾

0.25% Frequency of Accidents Index, Own Employees ⁽⁹⁾

SDGs

- 1
- 2
- 3
- 4
- 5
- 8
- 10

PROSPERITY

€ Financial Community

13,121 millions of euro Revenue

2,476 millions of euro Gross Operating Income (EBITDA) ⁽¹⁾

879 millions of euro Net Ordinary Income ⁽¹⁾

11,652 millions of euro Direct Economic Value Generated ⁽¹⁰⁾

1,132 millions of euro Economic value distributed to the Public Administration (taxes paid) ⁽¹⁰⁾

255,961 number of Treasury Shares Acquired

1,678 millions of euro Dividends Paid ⁽¹¹⁾

1.5854 (€/share) Gross Dividend per Share 2022

3.0% Average Cost of Gross Financial Debt

SDGs

- 7
- 9
- 11

Customers

67,049 GWh Distributed Energy ⁽¹²⁾

37,702 GWh Net Electricity Sales ⁽¹³⁾

67.4 min. Duration of Interruptions in the Distribution Network - SAIDI ⁽¹⁴⁾

Suppliers

100% of Contractors Certified on Sustainability Aspects (ESG)

0.41 Frequency of Accidents Index, Subcontracted Personnel ⁽⁹⁾

Operational Performance

– **MW** Net Additional Installed Capacity from Renewable Sources

81.4% Generation of non-emitting, renewable and nuclear technologies as a percentage of Endesa's total peninsular generation

10 number of Patents

Sustainable Development Goals SDGs



3.2. Sustainable Business Model

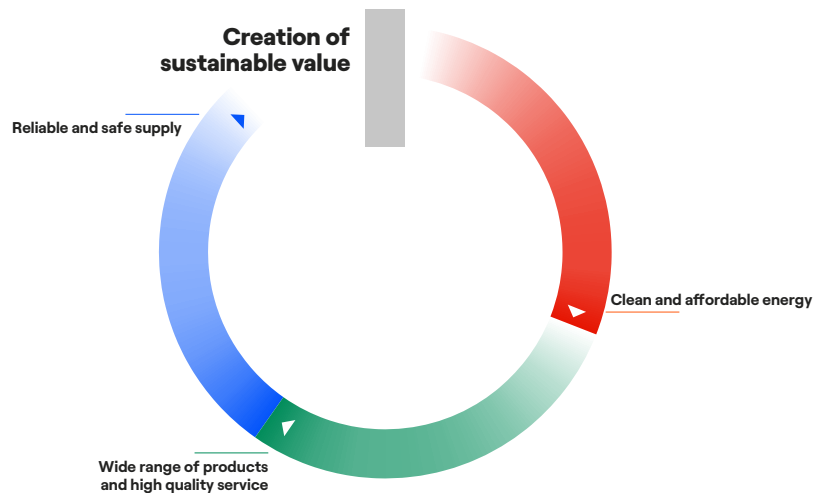
Endesa has built a sustainable business model and gears its business strategy towards meeting the main challenges facing the society in which it operates. The Energy Transition towards the decarbonisation and electrification of the current economy, including the efficient development of renewable energies abandoning technologies based on fossil fuels without leaving anyone behind, is a major challenge that the company faces. The shift towards a decarbonised economy has encouraged and required the transformation of the current business model, while generating great economic, environmental and social opportunities, contributing to the creation of wealth and employment, as well as the improvement of the planet. Climate Change is the main challenge for all of Endesa's stakeholders, and the Company is aware of the important role it can play in the combating of the Climate Change. Endesa therefore pursues a business model that aims to lead the Energy Transition, in line with the UN Sustainable Development Goals (SDGs) and the objectives of the Paris Agreement to achieve the goal of decarbonisation. Materiality analysis is very important in Endesa's journey towards an innovative business model that fosters the decarbonisation of the sector and whose commitment can be extended to the entire value chain, providing an important instrument for establishing the basis of a fair and efficient

transformation. Faced with the changing interpretation of the concept itself, Endesa has incorporated a dual perspective of materiality, identifying the impacts resulting from its activity that have both positive and negative effects on people and the environment, and the external environmental, social and governance aspects that might affect the value of the Company and its financial performance in the short, medium and longer term.

This orientation of Endesa's strategy and business model to respond to the relevant aspects for its stakeholders means it can manage these risks and identify and harness opportunities.

Bearing this in mind, Endesa has designed its 2023-2025 Sustainability Plan considering both its expected impact and the risks and opportunities it entails. This Plan sets out the company's roadmap for achieving the energy transformation challenges, participating in the achievement of the Sustainable Development Goals (SDGs).

This Strategic Plan, which guides the Company's activity towards a sustainable business model, is complemented by Endesa's Sustainability Plan. It includes the company's commitments to Sustainability, including more than 130 quantitative objectives for the 2023-2025 period, with the focus responding to the Company's purpose, vision, mission and values.

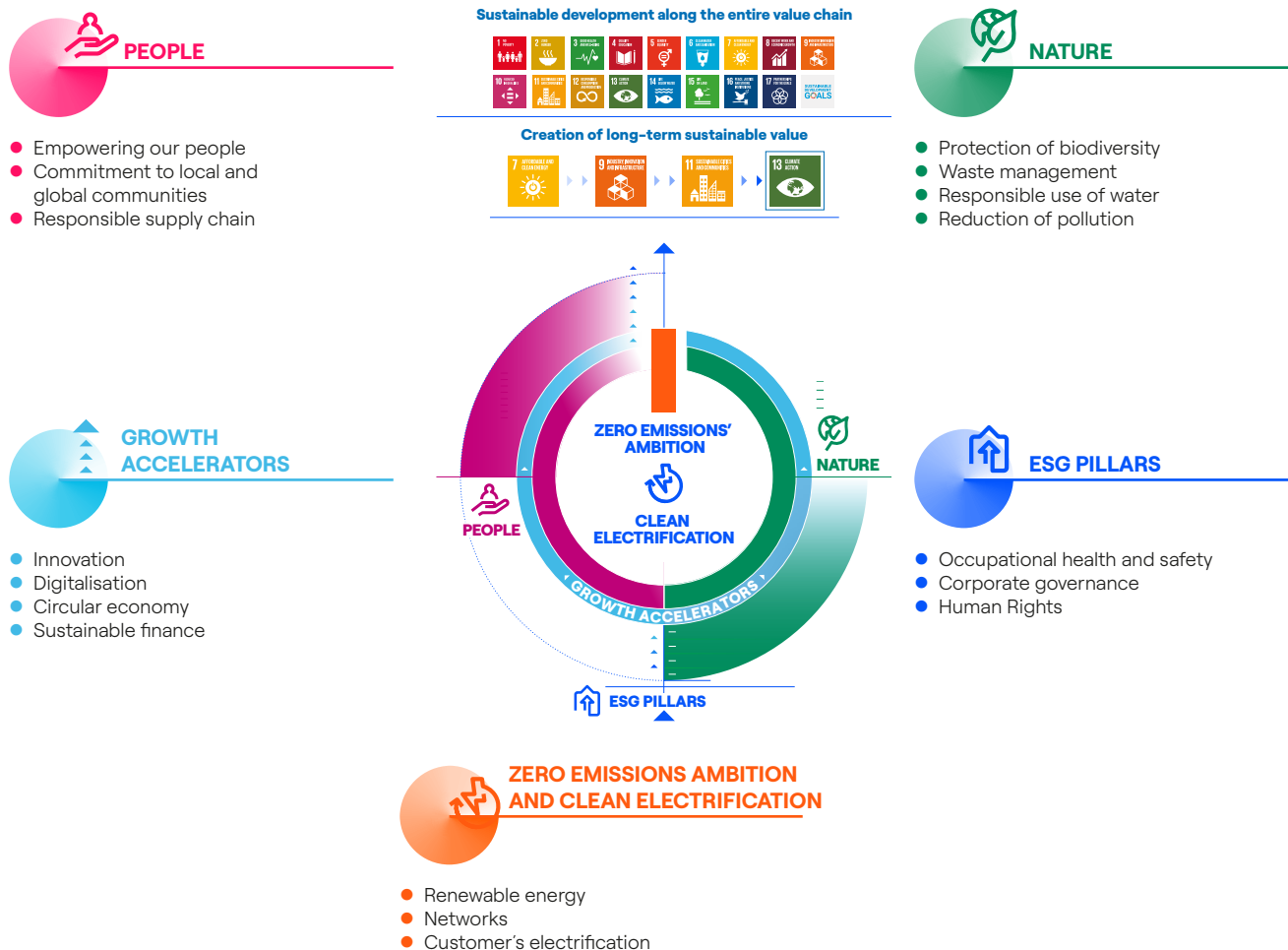


2023-2025 Sustainability Plan

On 22 February 2023, Endesa approved its 2023-2025 Sustainability Plan, which embodies its commitment to a business model in which sustainability is built into the Company's industrial and business plan, along with various ethical, social and environmental commitments.

Endesa's 2023-2025 Strategic Plan steers the Company's endeavours around a business model that responds to the major challenges facing society, such as decarbonisation and electrification to combat climate change and progress towards energy sovereignty. Notably, this Strategic Plan is complemented by a Sustainability Plan for the same period, which is based on the priorities shown in the diagram below:

Endesa's 2023–2025 Sustainability Plan



This plan envisions more than 130 measures aligned with the objective established by the Paris Agreements to avoid an increase of 1.5 °C in the global average temperature compared with pre-industrial levels. These measures include raising the bar in relation to existing targets, while setting new targets to guarantee the decarbonisation and emissions reduction path, together

with a continued commitment to customer electrification, improving diversity among Endesa's workforce, and protecting biodiversity and the communities in which the Company operates.

Endesa's sustainable business model is described in Section 2.3.3 of the Consolidated Management Report for the year ended 31 December 2022.

3.3. Business lines and main markets

In order to be able to effectively face all risks and take advantage of all the opportunities of an energy sector in constant change, Endesa's business model is structured into different lines so as to respond quickly in the markets where it operates and take into account the needs of its customers in the territories and businesses where it has a presence.

These Business Lines relate to the following activities in which Endesa is involved: generation, distribution and marketing of electricity and gas, mainly, in Spain and Portugal, and, to a lesser extent, marketing of electricity and gas in other European markets, particularly Germany, France and the Netherlands, from its platform in Spain, and marketing of other products and services related to its main business.

Endesa manages its generation and supply businesses jointly – apart from production from its mainland coal-fired plants – enabling it to optimise its integrated position compared to separate management of both activities.

The description of Endesa's markets and activities is detailed in Section 2.3.4 of the Consolidated Management Report for the year ended 31 December 2022.

Endesa's relevant companies and shareholdings for organising its various business lines are described in Note 6 and Appendix I to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

Corporate Governance

4. Organisational structure

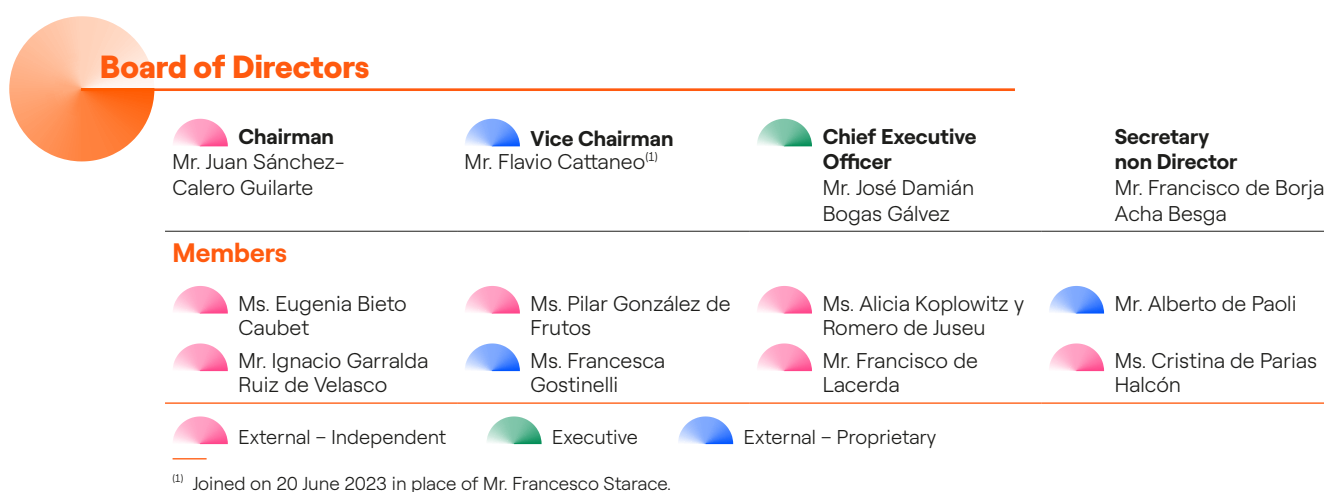
Endesa, S.A. and its Subsidiaries are part of the Enel Group, the parent of which is Enel Iberia, S.L.U. in Spain. At 30 June 2023, the Enel Group held 70.1% of the share capital in Endesa, S.A., through Enel Iberia, S.L.U.

At the date of approval of this Consolidated Management Report, Endesa's organisational structure was unchanged with respect to the structure described in Section 3 of the Consolidated Management Report for the year ended 31 December 2022.

4.1. Board of Directors

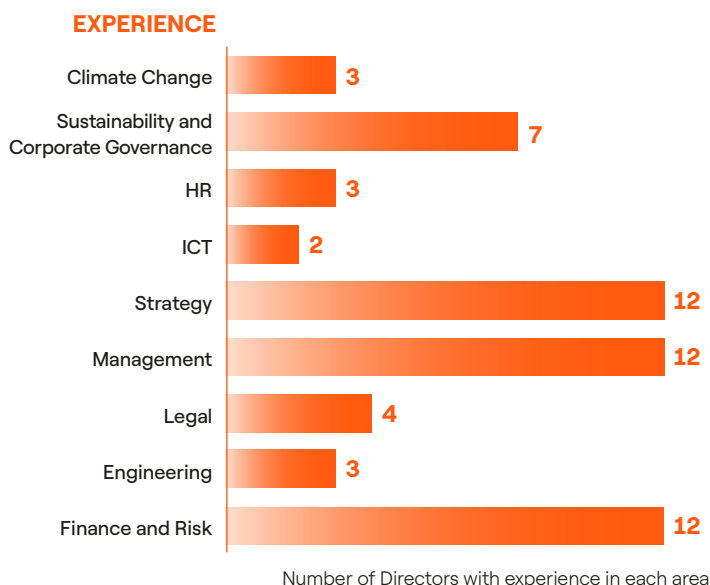
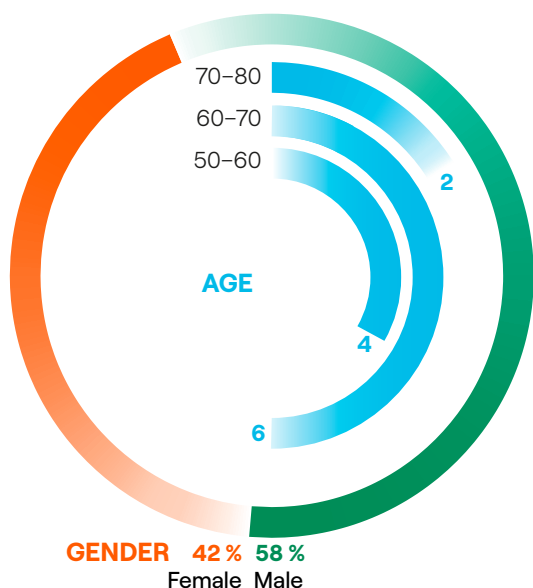
At the date of approval of this Consolidated Management Report, the composition of the Board of Directors of Endesa S.A., the body vested with the broadest powers to

manage, administer and represent the Company, was as follows:



Details of the Board of Directors by gender, age and experience at 30 June 2023 were as follows:

Diversity of the Board of Directors



4.2. Senior Management

At the date of approval of this Consolidated Management Report, Endesa, S.A.'s Executive Committee, which is tasked with implementing the Company's strategy, presented the following composition:



At 30 June 2023 and 31 December 2022, women accounted for 13% of Senior Management.

5. Values and pillars of business ethics

5.1 Code of Ethics

Information on Endesa's Code of Ethics is included in Section 8.1 of this Consolidated Management Report.

5.2. Human Rights Policy of Endesa

Endesa's Human Rights Policy follows the recommendations of the UN Guiding Principles on Business and Human Rights and enshrines its commitments and responsibilities in this realm. This policy focuses on creating sustainable value throughout the value chain, in both Endesa's business activity and the operations undertaken by its workers. The Company encourages its contractors, suppliers and commercial partners to embrace the same

principles, focusing on situations involving conflict or carrying high risk.

The policy consists of 11 principles covering two major areas: employment practices, and communities and society. These principles are inspired by the Universal Declaration of Human Rights and the conventions of the International Labour Organization in relation to human and social rights.

Endesa's Human Rights Policy



Endesa started implementing pioneering due diligence exercises in 2017 to ensure implementation and monitoring of the commitments in its Human Rights Policy, following the recommendations of the guiding principles. These due

diligence exercises have resulted in action plans to address the opportunities for improvement identified. The process comprises three stages:

Stages	
1.	Appraising Human Rights in the context where operations are carried out identifying potential risks associated with this context
2.	Assessing the actual and potential Human Rights impacts of Endesa's activities
3.	Designing an action plan

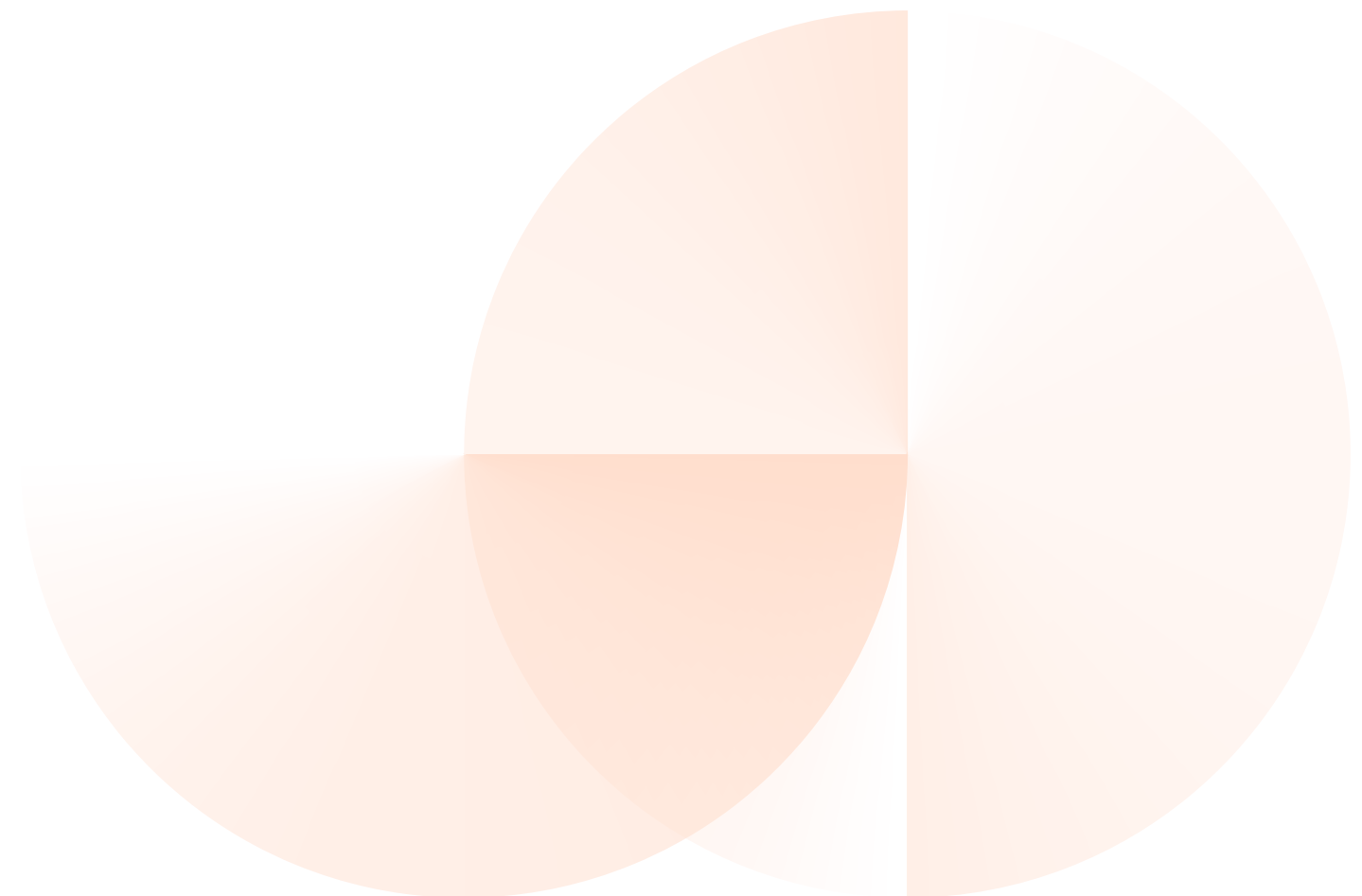
During the due diligence process, the extension of the commitment to human rights is analysed throughout the value-creation chain, including the supply chain. This process covers obligations relating to respect for human rights as set out in the general terms of contract. The rating process also includes human rights criteria, including audits and on-site visits when necessary.

In order to measure the effectiveness of Human Rights management systems and governance structure in all operations, and following some of the actions included in the improvement plan implemented during the due diligence cycle in the Human Rights management system for 2020-2022, Endesa has carried out a Due Diligence pilot at the following two facilities utilising different technologies to better test the tool: Candelaria, a 146 MW

thermal power plant, and Las Corchas and Los Naranjos, photovoltaic solar power plants with 100 MW of installed capacity between them.

Finally, it should be noted that issues relating to human rights are overseen at the highest level within the organisation. The Human Rights Policy is approved by the Board of Directors of Endesa, S.A., while the Board's Corporate Governance and Sustainability Committee monitors compliance with the associated action plan.

Further information on the due diligence process can be found in Section 4.7.1 Human Rights of the 2022 Non-Financial and Sustainability Statement which is part of the Consolidated Management Report for the year ended 31 December 2022).



Estrategy and risks



6. Outlook

6.1. Strategic Plan 2023–2025

Endesa presented an update to its 2023–2025 Strategic Plan on 23 November 2022. This Plan accelerates the decarbonisation of the Company's generating mix, the diversification of its value-added products for deregulated customers, and the development of its distribution grid as an element integrating all these aspects.

Information on the 2023–2025 Strategic Plan is included in Section 4.2 of the Consolidated Management Report for the year ended 31 December 2022.

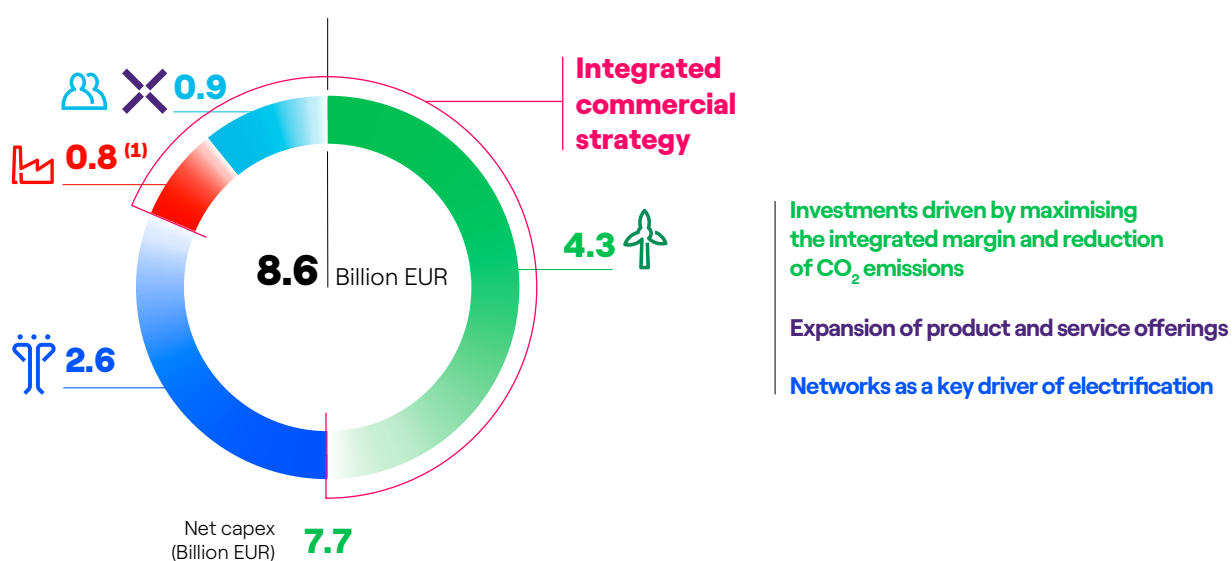
The new strategy for the mainland envisions a 15% increase in investment compared to the 2022–2024 Plan, to Euro

8,600 million. This largely relates to increased funding for the development of wind and solar facilities, which account for half of the planned investment, at Euro 4,300 million, 39% higher than under the previous plan.

Around 90% of the planned investment relates directly to the UN Sustainable Development Goals (SDGs), and over 80% is aligned with the European Union Taxonomy (see Section 1.5 of the Consolidated Management Report for the year ended 31 December 2022). Meanwhile, the percentage of corporate financial debt linked to sustainability objectives is expected to reach 87% by 2025.

Gross investment plan

2023–25 Gross Capex by activity



⁽¹⁾ Includes nuclear, combined cycle, non-mainland and others.

The industrial plan that underpins Endesa's strategy until the end of 2025 maximises the value of the vertically integrated business model, which will play a leading role in the path towards electrification, while creating value for all stakeholders involved with the Company.

Main areas of activity

The 2023–2025 Strategic Plan is based on the following lines of action (see Section 4.2 of the Consolidated Management Report for the year ended 31 December 2022):

2023–2025 Strategic Plan Lines Of Action

Growth in emission-free generation capacity.	<ul style="list-style-type: none"> Robust growth in renewable generation to reach a total installed capacity of 13,900 MW at the end of the period, with investment totalling Euro 4,300 million.
Extension of the value offer of services and electricity supply for customers.	<ul style="list-style-type: none"> Extension of the value offer of services and electricity supply for customers, entailing investment of Euro 900 million.
Digitalisation of the distribution network.	<ul style="list-style-type: none"> Allocating a total investment of Euro 2,600 million to the grids business to make further progress in digitalising the distribution network as a key asset to facilitate the Energy Transition.

6.2. Key financial indicators

In terms of financial performance, and based on these lines of action, the 2023–2025 Strategic Plan includes, among other parameters, forecasts on financial indicators for

consolidated earnings. Under the Plan, Endesa envisions a positive trend in the following:

Economic indicator	Forecast
Gross operating income (EBITDA) ⁽¹⁾	<ul style="list-style-type: none"> The cumulative annual growth rate (CAGR) is expected to be 8% for the 2023–2025 period, to reach a range of Euro 5,200–5,500 million in 2025, thanks to planned investments and despite the likely normalisation of the market environment as the exceptional events that took place in 2022 gradually dissipate.
Net ordinary income ⁽¹⁾	<ul style="list-style-type: none"> This will be in the range Euro 2,000 million to 2,100 million at the end of the three-year period, with compound annual growth of 18% over the Plan horizon.

⁽¹⁾ See definition in Section 9 of this Consolidated Management Report.

With a view to preserving Endesa's risk profile and financial strength, the dividend policy approved by the Company maintains a 70% pay-out on net ordinary income over the period through to 2025.

Millions of Euro

Financial objectives	Unit	2023	2024	2025
Gross operating income (EBITDA) ⁽¹⁾	Millions of Euro	4,400–4,700	4,900–5,200	5,200–5,500
Net ordinary income ⁽¹⁾	Millions of Euro	1,400–1,500	1,700–1,800	2,000–2,100
Gross dividend per share	Euro	1.0	1.2	1.4

⁽¹⁾ See definition in Section 9 of this Consolidated Management Report.

6.3. Long-term vision. Full decarbonisation by 2040

Endesa is fully committed to developing a sustainable business model in line with the objectives of the Paris Agreement. For Endesa, the fight against climate change is an unprecedented challenge. It has been setting ambitious targets through the successive Strategic Plans it has approved.

The 2023–2025 Strategic Plan unveiled on 23 November 2022 once again confirms the objective of bringing forward the complete decarbonisation of its activities from 2050 to 2040. It outlines a path containing clear intermediate reduction targets and underpinned by Endesa's firm intention to lead the Energy Transition.

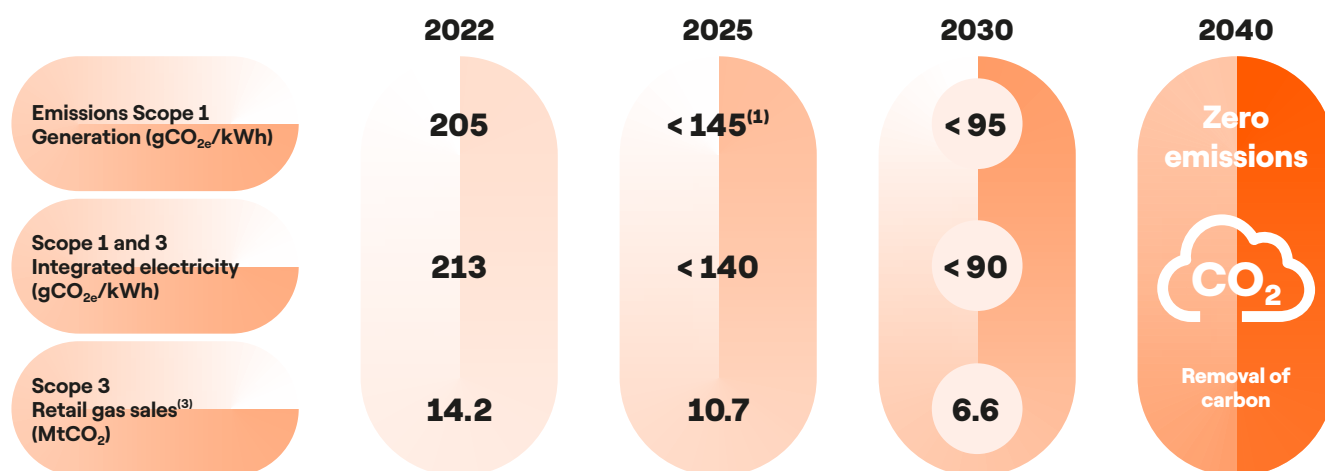
The Company has set itself a long-term objective of achieving emission neutrality throughout its value chain by 2040, in both direct emissions (Scope 1) –achieving complete decarbonisation of its generating mix– and indirect emissions (Scope 3), including the discontinuation of natural gas sales. This is in combination with the scientific objectives in all relevant areas, and in accordance with the criteria and recommendations of the Science Based Targets initiative (SBTi).

This objective will be achieved through three main pillars of action:

Pillars of action

1. The deployment of new renewable capacity that makes all generation activity 100% emission-free (within and outside the Iberian mainland).
2. Exiting the coal business by 2030, once the second mainland-Balearic Islands interconnection cable is operational, and also the business of producing electricity from gas by 2040.
3. Exiting the retail gas supply business by offering a wide range of new products and services that incentivise the electrification of gas usage.

Path to complete decarbonisation by 2040



Decarbonisation pathway aligned with the 1.5 °C target covering the main direct and indirect emissions⁽²⁾ along the entire value chain

⁽¹⁾ <50 grCO₂/kWh mainland.

⁽²⁾ Endesa has undertaken to reduce its remaining Scope 1+2+3 emission in accordance with the 1.5° path.

⁽³⁾ This target does not include mergers and acquisitions.

7. Reference scenario

7.1. Macroeconomic environment

The macroeconomic environment in the first half of 2023 was mainly marked by interest rate hikes by the main central banks, turbulence in the financial sector and tensions over the negotiation of the debt ceiling extension in the United States. The Central Banks have maintained restrictive monetary policies to bring inflation back below the established levels, maintaining a communication with the markets that points to the maintenance of the measures until the scenario of price moderation is confirmed.

In this regard, the European Central Bank (ECB) hiked interest rates by 150 basis points in the first six months of the year 2023 (cumulative increase of 400 basis points since July 2022), bringing the main refinancing rate to 4% and the deposit rate to 3.5%.

Spanish headline inflation moderated appreciably in June 2023, falling below the European Central Bank's (ECB) reference level of 2% to 1.9%, its lowest level since March 2021. Core inflation (which excludes energy and unprocessed food) remained high at 5.9% in June 2023.

On the foreign exchange market, the euro appreciated slightly (2.2%) against the US dollar during the first six months of the year, with the EUR/USD exchange rate standing at 1.0910 at the end of June. However, the euro has appreciated by more than 11% against the dollar since September 2022, when it was trading below parity. The euro depreciated by 3.3% against the pound sterling, with the EUR/GBP exchange rate standing at 0.8582 on 30 June 2023.

Inflation ⁽¹⁾	30 June 2023	30 June 2022
Year-on-year inflation in Spain (%)	1.9	10.2
Year-on-year core inflation in Spain (%)	5.9	5.5

⁽¹⁾ Source: Spanish National Statistics Institute (INE).

Year-end exchange rates ⁽¹⁾	30 June 2023	31 December 2022	Difference
Closing exchange rate (Euro / US Dollar)	1.0910	1.0673	0.0237
Closing exchange rate (Euro / Pound Sterling)	0.8582	0.8873	(0.0291)

⁽¹⁾ Source: Bloomberg.

Average exchange and interest rates ⁽¹⁾	January–June 2023	January–June 2022	Difference
Average exchange rate (Euro / US Dollar)	1.0806	1.0931	(0.0125)
6-month Euribor (period average)	3.38	(0.28)	3.66

⁽¹⁾ Source: Bloomberg.

7.2. Electricity and gas market

The first half of 2023 saw a reduction in prices within the European electricity markets compared to the same period of 2022, largely as a result of the reduction in gas prices and the increase in renewable energy production.

The price of natural gas in European markets and in the Spanish market began a downward trend in the last months of 2022, which has continued in the first half of 2023, and the price of this raw material has been at levels lower than those prior to the Russia-Ukraine conflict thanks to the reduction in demand, caused by mild temperatures and the measures adopted to discourage consumption, and to the diversification of supply sources, which has favoured the recovery of confidence among economic agents and the dynamism of activity.

In the first six months of 2023, Spain recorded electricity demand of 119,874 GWh, 4.6% lower than in the same period in 2022 (-4.1%, taking into account the effects of the calendar and temperatures) as a result, among other aspects, of the growing expansion of solar self-consumption, which increased by 108% in 2022, and lower growth in the country's Gross Domestic Product (GDP).

At the peninsular level and without correcting for the effects of working hours and temperatures, in the first half of the year, peninsular demand was 112,816 GWh, 4.8%

lower than that recorded in 2022 (-4.2% taking into account the effects of working hours and temperatures). In the first 6 months of 2023, gross demand in the Balearic Islands and the Canary Islands is estimated at 2,702 GWh and 4,171 GWh (-2.9% and +0.4%, respectively, corrected for the effects of working hours and temperature, compared to the same period of the previous year).

During the first half of 2023, solar PV production reached record levels in Spain (+33%) and Portugal (+43%) due to weather conditions and in line with the progress of the energy transition and the increased installed capacity of renewable sources. Additionally, during the first 6 months of the year, the closing prices of gas and Brent have decreased by 55% and 23.7%, respectively, compared to the same period of the previous year) while the price of carbon dioxide (CO₂) has increased by 4.3% compared to the first half of 2022.

In this context, the arithmetic average price on the wholesale electricity market stood at 88.3 €/MWh (-57.1% compared to the same period in 2022). Gas demand in Spain fell by 13.7% in the first 6 months of 2023, mainly due to a decrease in demand from the electricity sector (-21.9%) and a reduction in demand from the conventional gas market (-10.4%).

7.2.1. Evolution of the main market indicators

Market indicators	January-June 2023	January-June 2022	Chg. (%)
Arithmetic average price in the wholesale electricity market (€/MWh) ⁽¹⁾	88.3	206.0	(57.1)
ICE Brent average price (\$/bbl) ⁽²⁾	80.0	104.9	(23.7)
Average price of carbon dioxide (CO ₂) emission rights (€/t) ⁽³⁾	86.7	83.1	4.3
Average Price of Guarantees of Origin (€/MWh) ⁽⁴⁾	7.9	6.5	21.5
Average price of coal (€/MWh) ⁽⁵⁾	135.8	282.7	(52.0)
Average price of gas (€/MWh) ⁽⁶⁾	44.6	99.1	(55.0)

⁽¹⁾ Source: Iberian Energy Market Operator - Polo Español (OMIE).

⁽²⁾ Source: ICE: Brent Crude Futures.

⁽³⁾ Source: ICE: ECX Carbon Financial Futures Daily.

⁽⁴⁾ Source: Prepared in-house

⁽⁵⁾ Source: Api2 index.

⁽⁶⁾ Source: TTF index.

7.2.2. Evolution of demand

Percentage (%)

Electricity ⁽¹⁾	Without adjusting for seasonal and temperature effects		Adjusted for seasonal and temperature effects	
	January–June 2023	January–June 2022	January–June 2023	January–June 2022
Mainland	(4.8)	(1.8)	(4.2)	(2.7)
Endesa area⁽²⁾	(3.8)	(0.1)	(3.1)	(0.5)
Industrial	(1.9)	(3.5)		
Services	(5.3)	11.1		
Residential	(4.0)	(4.6)		
Non-mainland Territories (“TNP”)	(0.9)	11.3	(1.3)	11.6
Canary Islands	0.7	10.6	0.4	10.5
Balearic Islands	(3.0)	13.2	(2.9)	12.6

⁽¹⁾ Source: Red Eléctrica de España, S.A. (REE). In power plant busbars.

⁽²⁾ Source: In-house.

Percentage (%)

Gas ⁽¹⁾	January–June 2023	January–June 2022
Spanish Domestic market	(13.7)	4.2
Spanish Domestic – conventional	(10.4)	(10.3)
Electricity sector	(21.9)	73.1

⁽¹⁾ Source: Enagás, S.A.

7.2.3. Market share

Percentage (%)

Market Share ⁽¹⁾	30 June 2023	31 December 2022
Electricity		
Mainland generation ⁽²⁾	17.9	18.2
Distribution	43.7	43.7
Supply	29.3	29.6
Gas		
Deregulated market	14.3	18.4

⁽¹⁾ Source: In-house.

⁽²⁾ Includes renewable energies.

8. Main risks and uncertainties associated with Endesa's activity

8.1. Endesa's anti-bribery and criminal risk prevention model

Information on Endesa's Anti-Bribery and Criminal Risk Prevention Model can be found in Section 6.3 of the Consolidated Management Report for the year ended 31 December 2022.

Code of Ethics

In the first half of 2023, the Company fully complied with all of the processes put in place to correctly apply the Code of Ethics.

In addition, Endesa has adopted the relevant measures to comply with Law 2/2023, of 20 February, regulating the protection of persons who report regulatory infringements

and the fight against corruption, implementing a Whistle-blower Protection System consisting of a compliance model with a policy, a procedure for managing the facts reported and a person in charge.

The following is information on reported facts received from different parties for breaches of the Code of Ethics:

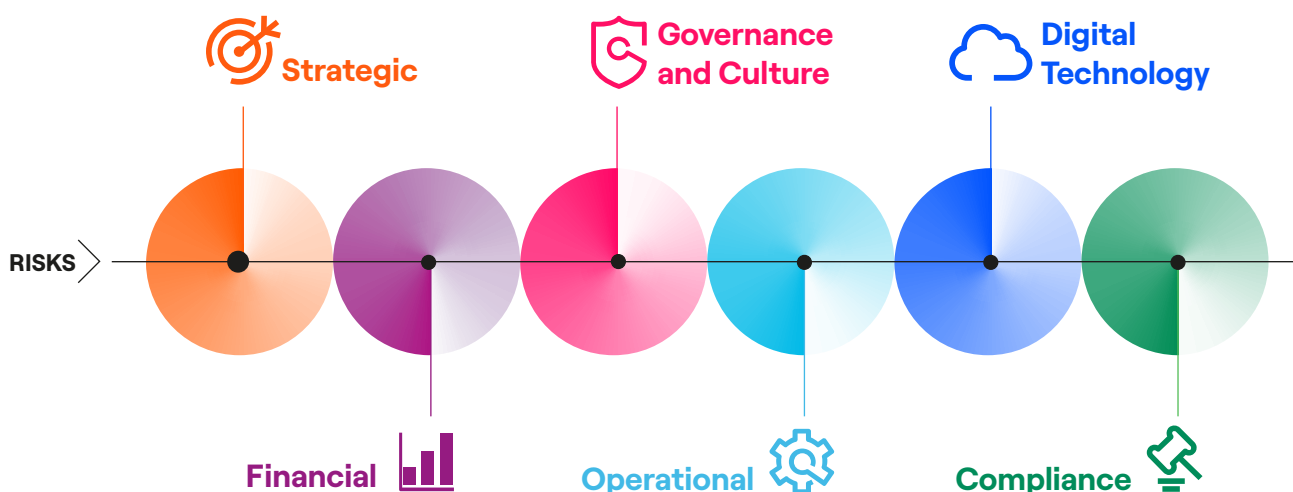
	Number		% chg.
	January-June 2023	January-June 2022	
Total Reported Facts Received through the Information Channel	3 ⁽¹⁾	9	(66.7)
Proven breaches	—	1	—
Related to corruption and/or fraud	—	—	—

⁽¹⁾ Two reports remain open and are under investigation.

8.2. Main risks and uncertainties

In the first half of 2023, Endesa followed the same risk control and management policy as that described in Note 42 to the Consolidated Financial Statements for the year ended 31 December 2022.

Endesa classifies the risks to which it is exposed into six categories: Strategic, Financial, Operational, Compliance, Corporate Governance and Culture, and risks related to Digital Technologies.









Further information on the main risks and uncertainties associated with Endesa's activity can be found in Section 6.4 of the Consolidated Management Report for the year ended 31 December 2022.





Endesa's activities are carried out against a backdrop in which outside factors may affect the performance of its operations and earnings.





As a result of the ongoing conflict between Russia and Ukraine and the prevailing macroeconomic environment, Endesa must contend with greater uncertainty and its business could be affected by adverse economic conditions in Spain, Portugal, the Eurozone and international markets, as well as by the regulatory environment.

As a result, certain risks have become more significant and others have become more volatile (see Note 4.2 to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023).

In an environment of rampant inflation, rising interest rates and financial instability, certain risks are not manageable and of imponderable probability. These include regulatory changes, cybersecurity, delays in the delivery of supplies and performance of contracts, and tighter access to credit. Given this situation, the main risks and uncertainties now facing Endesa for the coming months of 2023 are summarised below:

Category	Risk	Definition	Description	Metrics	Materiality ⁽³⁾
 Strategic Risks	 Legislative and regulatory developments	Endesa's activities are heavily regulated, and regulatory changes could have an adverse impact on its business activities, results, financial position and cash flows.	Information on the regulatory framework can be found in Note 5 to the Condensed Interim Consolidated Financial Statements for the six months ended 30 June 2023 and in Section 16 of this Consolidated Management Report.		
	 Macroeconomic and geopolitical trends	Endesa's business could be affected by adverse economic or political conditions in Spain, Portugal, the Eurozone and in international markets.	A worsening of the economic and financial situation of the European and world economies, aggravated by the ongoing conflict between Russia and Ukraine, could adversely affect Endesa's business, earnings, financial position and cash flows (see Note 4.2 to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023).	Scenarios ⁽¹⁾	High
 Financial Risks	 Commodities	Endesa's business is largely dependent on the constant supply of large amounts of fuel to generate electricity; on the supply of electricity and natural gas used for its own consumption and supply; and on the supply of other commodities, the prices of which are subject to market forces that may affect the price and the amount of energy sold by Endesa.	The evolution of electricity prices in the wholesale market and of commodities, mainly gas, carbon dioxide (CO ₂) emission rights, guarantees of origin and coal, have an impact on business costs and also on selling prices. To mitigate this impact, Endesa hedges commodity price risk through financial instruments arranged in organised European markets and over the counter (OTC). Transactions traded on organised markets with clearing houses and daily margin requirements relating to mark-to-market (MtM) variations could have a direct impact on Endesa's liquidity risk (see Notes 37.4 and 38.1 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023 and Section 12.2 of this Consolidated Management Report).	Stochastic ⁽²⁾	High
	 Interest rates	Endesa is exposed to interest rate risk.	In order to moderate the rise in prices, the main Central Banks have acted forcefully by raising interest rates across the board from the first half of 2022. The continuity of this policy now depends on the evolution of growth and employment indicators in the economies. In order to mitigate this impact, Endesa has a policy of hedging interest rate risk through derivatives (see Note 38.1 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023 and Section 12.2 of this Consolidated Management Report).	Stochastic ⁽²⁾	High

Category	Risk	Definition	Description	Metrics	Materiality ⁽³⁾
 Financial Risks	 Capital adequacy and access to finance	<p>Endesa's business depends on its ability to obtain the funds necessary to refinance its debt and finance its capital expenses.</p>	<p>The instability of international financial markets marked by the evolution of interest rates, following the control of inflation, and uncertainty regarding growth indicators and the evolution of economies is having an impact on international credit markets. Endesa controls its liquidity risk by maintaining an adequate level of unconditionally available resources, including cash and short-term deposits, long-term credit lines with banks and Enel Group companies and a portfolio of highly liquid assets. Endesa develops a liquidity policy that consists of maintaining sufficient cash on hand at all times to meet projected needs for a period that depends on the situation and expectations of the debt and capital markets (see Notes 37.4 and 38.2 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023 and Section 12.2 of this Consolidated Management Report). Endesa's financial management and capital management policy is described in Notes 35.1.12, 41.3 and 41.4 of the Explanatory Notes to the Consolidated Financial Statements for the year ended 31 December 2022.</p>	Stochastic ⁽²⁾	High
	 Liquidity	<p>Endesa is exposed to credit and counterparty risk. Credit risk is generated when a counterparty does not meet its obligations under a financial or commercial contract, giving rise to financial losses.</p>	<p>Endesa closely monitors the credit risk of its commodity, financial and commercial counterparties. Against an inflationary backdrop, with sharply rising interest rates, affected by the energy crisis of the previous months, exposure to default with counterparties has risen considerably, although the collection management activities carried out by the Company have been successful in reducing overdue debt (see Note 38.3 to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023).</p>	Stochastic ⁽²⁾	High
	 Cybersecurity	<p>Endesa is exposed to cybersecurity risks.</p>	<p>The Cybersecurity Unit is keeping close track of the situation to identify any cyber event or anomaly at Endesa.</p>	—	(4)

Category	Risk	Definition	Description	Metrics	Materiality ⁽³⁾	
 Operational risks	 Procurement, logistics and supply chain	<p>Endesa's business could be adversely affected by a possible inability to maintain its relations with suppliers or because the available supplier offering is insufficient in terms of quantity and/or quality, as well as supplier failures to maintain the conditions of the service provided, limiting the possibilities of operability and business continuity.</p>	<p>Any deterioration in the ongoing conflict between Russia and Ukraine and sharp financial tensions on a global level may cause delays in supplies and breach of contracts at the supply chain level.</p> <p>Endesa, in developing new capacity, is exposed to financial needs, the inflationary environment, interruptions in the availability of materials and a shortage of qualified labour. In addition, there are also risks of technical faults and accidents that could temporarily interrupt the operation of its plants and service to customers.</p> <p>The occurrence of any of these events could adversely affect Endesa's businesses, results, financial position and cash flows</p>	Stochastic ⁽²⁾	Low	
	 Business interruption	<p>Endesa is exposed to risks associated with the construction of new electricity generation and distribution facilities.</p>	<p>Endesa's activity may be affected by failures, breakdowns, problems in carrying out planned work or other problems that cause unscheduled non-availability and other operational risks.</p>		Scenarios ⁽¹⁾	Medium
	 Compliance with other laws and regulations	<p>Endesa is involved in various court and arbitration proceedings.</p>	<p>Endesa is involved in certain legal proceedings the outcome of which could have an impact on the Consolidated Financial Statements (see Note 51 to the Consolidated Financial Statements for the year ended 31 December 2022 and Note 44 to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023).</p>			(4)

⁽¹⁾ Scenario: calculated as the loss arising from the hypothetical situations.

⁽²⁾ Stochastic: calculated as the loss that could be incurred with a certain degree of probability or confidence.

⁽³⁾ The significance of the risks is measured based on the expected potential loss: High (exceeding Euro 75 million), Medium (between Euro 10 million and Euro 75 million) and Low (less than Euro 10 million).

⁽⁴⁾ They relate to risks whose impact may be difficult to quantify economically (in general, high impact and probability, following the mitigation mechanisms implemented, very low or very difficult to determine).

Performance and metrics

9. Alternative Performance Measures (APMs)

Alternative Performance Measures (APMs)	Unit	Definition	Reconciliation of Alternative Performance Measures (APMs)		Relevance of use
			January–June 2023	January–June 2022 ⁽¹⁾	
Gross operating income (EBITDA)	M€	Income - Procurements and Services +- Income and Expenses for Energy Stocks Derivatives + Self-constructed assets - Personnel Expenses - Other Fixed Operating Expenses + Other gains and losses	2,476 M€ = 13,121 M€ - 8,057 M€ - 1,506 M€ + 147 M€ - 520 M€ - 711 M€ + 2 M€	2,188 M€ = 14,851 M€ -10,956 M€ - 923 M€ + 134 M€ - 499 M€ - 660 M€ + 241 M€	Measure of operating return excluding interest, taxes, provisions and amortisation
Gross operating income (EBITDA) from low-carbon products, services and technologies	M€	Gross Operating Income (EBITDA) - Gross Operating Income (EBITDA) from Conventional Generation, except Nuclear Generation - Gross Operating Income (EBITDA) from Gas Trading	1,712 M€ = 2,476 M€ - 1,002 M€ + 232 M€ + 6 M€	1,669 M€ = 2,188 M€ - 788 M€ + 192 M€ + 77 M€	Measure of operating return on low-carbon products, services and technologies, excluding interest, taxes, provisions, depreciation and amortisation
Operating Income (EBIT)	M€	EBITDA - Depreciation and amortisation, and impairment losses.	1,521 M€ = 2,476 M€ - 955 M€	1,316 M€ = 2,188 M€ - 872 M€	Measure of operating profit excluding interest and taxes
Net income	M€	Net income of the Parent	879 M€	916 M€	Measure of profit for the period
Net ordinary income	M€	Net ordinary income = Net income of the Parent - Net gain/(loss) on disposal of non-financial assets (exceeding €10 million) - Net impairment losses on non-financial assets (exceeding €10 million) - Initial net expenses of personnel expenses as a result of workforce restructuring plans relating to the Decarbonisation Plan and the digitalisation of processes - Net expenses corresponding to the Public Responsibility Plan for the COVID-19 health crisis.	879 M€ = 879 M€ - 0 M€ - 0 M€ - 0 M€ - 0 M€	734 M€ = 916 M€ - 182 M€ - 0 M€ - 0 M€ - 0 M€	Measure of profit for the period stripping out extraordinary items in excess of Euro 10 million
Contribution margin	M€	Revenue - Procurements and Services +- Income and Expenses for Energy Stocks Derivatives	3,558 M€ = 13,121 M€ - 8,057 M€ - 1,506 M€	2,972 M€ = 14,851 M€ - 10,956 M€ - 923 M€	Measure of operating profit considering direct variable production costs
Procurements and services	M€	Power purchases + Fuel consumption + Transmission costs + Other variable procurements and services	8,057 M€ = 3,734 M€ + 1,234 M€ + 1,486 M€ + 1,603 M€	10,956 M€ = 6,545 M€ + 1,597 M€ + 1,925 M€ + 889 M€	Goods and services for production
Net financial profit/(loss)	M€	Financial Income - Financial Expense +- Income and Expenses on Derivative Financial Instruments +- Net Exchange Differences	(270) M€ = 25 M€ - 318 M€ + 3 M€ + 20 M€	(56) M€ = 125 M€ - 114 M€ - 39 M€ - 28 M€	Measure of financial cost
Net financial expense	M€	Financial Income - Financial Expense +- Income and Expenses on Derivative Financial Instruments	(290) M€ = 25 M€ - 318 M€ + 3 M€	(28) M€ = 125 M€ - 114 M€ - 39 M€	Measure of financial cost

M€ = millions of Euro; € = Euro.

n = 30 June of the year being calculated.

n-1 = 31 December of the year before the year being calculated.

⁽¹⁾ See Note 2 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-months period ended 30 June 2023.

Alternative Performance Measures (APMs)	Unit	Definition	Reconciliation of Alternative Performance Measures (APMs)		Relevance of use
			January-June 2023	January-June 2022 ⁽¹⁾	
Ordinary Return on Equity	%	Net ordinary income attributable to the Parent in the last 12 months / ((Equity of the Parent (n) + Equity of the Parent (n-1)) / 2)	43.15% = 2,543 M€ / ((6,231 + 5,557) / 2) M€	38.01% = 1,804 M€ / ((4,114 + 5,378) / 2) M€	Measure of the capacity to generate profits on shareholder investments
Economic profitability	%	Operating Income (EBIT) for the last 12 months / ((PP&E (n) + PP&E (n-1)) / 2)	17.39% = 3,892 M€ / ((22,416 + 22,338) / 2) M€	9.85% = 2,179 M€ / ((22,131 + 22,097) / 2) M€	Measure of the capacity to generate income from invested assets or capital
Ordinary return on assets	%	Net ordinary income of the Parent for the last 12 months / (Total Assets (n) + Total Assets (n-1) / 2)	5.48% = 2,543 M€ / ((42,792 + 50,067) / 2) M€	4.04% = 1,804 M€ / ((49,134 + 40,098) / 2) M€	Measure of business profitability
Return on capital employed (ROCE)	%	Profit from operations after tax for the last 12 months / ((Non-current Assets (n) + Non-current Assets (n-1)) / 2) + ((Current Assets (n) + Current Assets (n-1)) / 2)	6.11% = 2,837 M€ / ((28,761 + 30,142) / 2 + (14,031 + 19,925) / 2) M€	3.69% = 1,644 M€ / ((30,240 + 28,446) / 2 + (18,894 + 11,652) / 2) M€	Measure of the return on capital employed
Return on Invested Capital (ROIC)	%	Profit from operations after tax for the last 12 months / (Equity of the Parent + Net financial debt)	16.86% = 2,837 M€ / (6,231 M€ + 10,597 M€)	11.43% = 1,644 M€ / (4,114 M€ + 10,275 M€)	Measure of the return on invested capital
Gross investment	M€	Gross investments in property, plant and equipment + Investments in intangible assets	1,104 M€ = 909 M€ + 195 M€	955 M€ = 720 M€ + 235 M€	Measure of investing activity
Gross investments in low-carbon products, services and technologies	M€	Gross Investments - Gross investments made in coal/fuel and combined cycle power plants	1,080 M€ = 1,104 M€ - 24 M€	932 M€ = 955 M€ - 23 M€	Measurement of investment activity without counting investments in coal/fuel and combined cycle power plants
Net investments	M€	Gross Investments - Capital grants and facilities transferred	1,033 M€ = 1,104 M€ - 71 M€	869 M€ = 955 M€ - 86 M€	Measure of investing activity net of grants received
Direct economic value generated	M€	Income from sales and services rendered + Other operating income + Net income of companies accounted for using the equity method + Income and expenses from energy commodity derivatives + Other financial income and results	11,652 M€ = 12,895 M€ + 226 M€ + 10 M€ - 1,506 M€ + 27 M€	14,307 M€ = 14,702 M€ + 149 M€ + 13 M€ - 923 M€ + 366 M€	Measure of total economic value generated
Economic value distributed	M€	- Power Purchases - Fuel Consumption - Transmission Costs - Other Variable Procurements and Services - (Taxes and Fees on Variable Procurements) - Other Fixed Operating Expenses - (Taxes and Fees on Fixed Expenses) - Personnel Expenses - Corporate Income Tax - Taxes and Levies - Social Development Investments - Financial Expense - Income and Expenses from Derivative Financial Instruments	(9,984) M€ = - 3,734 M€ - 1,234 M€ - 1,486 M€ - 1,603 M€ + 667 M€ - 711 M€ + 93 M€ - 520 M€ - 372 M€ - 760 M€ - 9 M€ - 318 M€ + 3 M€	(12,598) M€ = - 6,545 M€ - 1,597 M€ - 1,925 M€ - 889 M€ + 419 M€ - 660 M€ + 85 M€ - 499 M€ - 321 M€ - 504 M€ - 9 M€ - 114 M€ - 39 M€	Measure of the economic value distributed among stakeholders
Economic value retained	M€	Direct economic value generated - Economic value distributed	1,668 M€ = 11,652 M€ - 9,984 M€	1,709 M€ = 14,307 M€ - 12,598 M€	Measure of total economic value generated and retained

M€ = millions of Euro; € = Euro.

n = 30 June of the year being calculated.

n-1 = 31 December of the year before the year being calculated.

⁽¹⁾ See Note 2 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-months period ended 30 June 2023.

Alternative Performance Measures (APMs)	Unit	Definition	Reconciliation of Alternative Performance Measures (APMs)		Relevance of use
			January–June 2023	January–June 2022 ⁽¹⁾	
Funds from Operations	M€	Cash Flows from Operating Activities - Changes in Working Capital - Self-constructed Assets	2,174 M€ = 1,615 M€ + 706 M€ - 147 M€	1,745 M€ = -169 M€ + 2,048 M€ -134 M€	Measure of the cash generated by the company's business available to make investments, repay debt and distribute dividends to shareholders
Interest Expenses	M€	Interest paid	217 M€	81 M€	Measure of interest paid
Net ordinary earnings per share	€	Net ordinary income of the Parent / Number of shares at the end of the reporting period	0.830 € = 879 M€ / 1,058,752,117 shares	0.693 € = 734 M€ / 1,058,752,117 shares	Measure of the portion of net ordinary income corresponding to each share outstanding
Net earnings per share	€	Net Income of the Parent / Number of Shares at the end of the Reporting Period	0.830 € = 879 M€ / 1,058,752,117 shares	0.865 € = 916 M€ / 1,058,752,117 shares	Measure of the portion of net income corresponding to each share outstanding
Cash flow per share	€	Net cash flow from operating activities / Number of shares at the close of the period	1.525 € = 1,615 M€ / 1,058,752,117 shares	(0.160 €) = - 169 M€ / 1,058,752,117 shares	Measure of the portion of funds corresponding to each share outstanding

M€ = millions of Euro; € = Euro.

Alternative Performance Measures (APMs)	Unit	Definition	Reconciliation of Alternative Performance Measures (APMs)		Relevance of use
			30 June 2023	31 December 2022 ⁽¹⁾	
Net financial debt	M€	Non-current borrowings + Current borrowings + Debt derivatives recognised in liabilities - Cash and cash equivalents - Debt derivatives recognised in assets - Financial guarantees recognised in assets	10,597 M€ = 13,151 M€ + 1,314 M€ + 81 M€ - 697 M€ - 104 M€ - 3,148 M€	10,869 M€ = 11,704 M€ + 6,784 M€ + 87 M€ - 871 M€ - 111 M€ - 6,724 M€	Gross financial debt subject to the fulfilment of certain sustainability targets
Gross sustainable financial debt	M€	Gross financial debt subject to the fulfilment of certain sustainability targets	9,207 M€	11,817 M€	Gross financial debt subject to the fulfilment of certain sustainability targets
Sustainable financing	%	Sustainable gross financial debt / Gross financial debt	64% = 9,207 M€ / 14,465 M€	64% = 11,817 M€ / 18,488 M€	Measure of the weight of gross financial debt with sustainability clauses as a share of total gross financial debt
Leverage	%	Net financial debt / Equity	165.17% = 10,597 M€ / 6,416 M€	188.76% = 10,869 M€ / 5,758 M€	Measure of the weighting of external funds in the financing of business activities
Debt ratio	%	Net financial debt / (Equity + Net financial debt)	62.29% = 10,597 M€ / (6,416 + 10,597) M€	65.37% = 10,869 M€ / (5,758 + 10,869) M€	Measure of the weighting of external funds in the financing of business activities
Average life of gross financial debt	Number of Years	(Principal * Number of Valid Days) / (Valid Principal at the end of the Reporting Period * Number of Days in the Period)	3.8 years = 55,302 / 14,556	3.2 years = 59,961 / 18,588	Measure of the duration of borrowings to maturity

M€ = millions of Euro; € = Euro.

⁽¹⁾ See Note 2 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-months period ended 30 June 2023.

Alternative Performance Measures (APMs)	Unit	Definition	Reconciliation of Alternative Performance Measures (APMs)		Relevance of use
			January–June 2023	January–June 2022 ⁽¹⁾	
Average gross financial debt	M€	(Total Drawdowns or Debt Positions * Number of Days in force of each Provision or Position) / (Cumulative Number of Days in Force)	16,128 M€	16,442 M€	Measure of average gross financial debt in the period to calculate the average cost of gross financial debt.
Average cost of gross financial debt	%	(Cost of gross financial debt) / Average gross financial debt	3.0% = (239 M€ * (12 months / 6 months) + M€) / 16,128 M€	1.4% = 224 M€ / 16,442 M€	Measure of the effective rate of borrowings
Debt coverage ratio	Number of Months	Maturity period (no. of months) for vegetative debt and financial expense that could be covered with available liquidity	20 months	10 months	Measure of the capacity to meet debt maturities and related financial expenses
Liquidity ratio	N/A	Current assets / Current liabilities.	1.08 = 14,031 M€ / 13,045 M€	0.96 = 19,925 M€ / 20,682 M€	Measure of the capacity to meet short term commitments
Solvency ratio	N/A	(Equity + Non-Current liabilities) / Non-current assets	1.03 = (6,416 M€ + 23,331 M€) / 28,761 M€	0.97 = (5,758 M€ + 23,627 M€) / 30,142 M€	Measure of the capacity to meet obligations
Debt coverage ratio	N/A	Net financial debt / gross operating income (EBITDA) of the last 12 months	1.81 = 10,597 M€ / 5,853 M€	1.95 = 10,869 M€ / 5,565 M€	Measure of the amount of available cash flow to meet payments of principal on borrowings
Fixed assets	M€	Property, Plant and Equipment + Investment Property + Intangible Assets + Goodwill	24,606 M€ = 22,416 M€ + 59 M€ + 1,669 M€ + 462 M€	24,495 M€ = 22,338 M€ + 59 M€ + 1,636 M€ + 462 M€	Tangible or intangible assets of the Company, not convertible into liquid assets at short term, necessary for the functioning of the Company and not earmarked for sale
Total net non-current assets	M€	Property, plant and equipment + Intangible assets + Goodwill + Investments accounted for using the equity method + Investment property + Other non-current financial assets + Non-current derivative financial instruments + Other non-current assets - Grants - Non-current liabilities from contracts with customers - Non-current derivative financial instruments - Other non-current financial liabilities - Other non-current liabilities - Financial guarantees recognised in Non-current assets - Debt derivatives recognised under non-current financial assets and liabilities	20,320 M€ = 22,416 M€ + 1,669 M€ + 462 M€ + 283 M€ + 59 M€ + 769 M€ + 731 M€ + 352 M€ - 233 M€ - 4,281 M€ - 1,112 M€ - 0 M€ - 583 M€ - 189 M€ - 23 M€	19,256 M€ = 22,338 M€ + 1,636 M€ + 462 M€ + 274 M€ + 59 M€ + 1,160 M€ + 1,249 M€ + 304 M€ - 238 M€ - 4,300 M€ - 2,408 M€ - 0 M€ - 588 M€ - 668 M€ - 24 M€	Measure of non-current assets excluding deferred tax assets, less the value of deferred income and other non-current liabilities
Total net working capital	M€	Trade receivables for sales and services and other receivables + Inventories + Other current financial assets + Current derivative financial instruments + Current income tax assets + Other tax assets + Current assets from contracts with customers - Current income tax liabilities - Other tax liabilities - Current derivative financial instruments - Other current financial liabilities - Current liabilities from contracts with customers - Financial guarantees recognised in current assets - Debt derivatives recognised under current financial assets and liabilities - Suppliers and other payables	(614) M€ = 4,808 M€ + 1,230 M€ + 5,332 M€ + 1,412 M€ + 348 M€ + 170 M€ + 7 M€ - 991 M€ - 645 M€ - 2,881 M€ - 85 M€ - 311 M€ - 2,959 M€ - 0 M€ - 6,049 M€	309 M€ = 5,472 M€ + 2,122 M€ + 8,677 M€ + 2,533 M€ + 49 M€ + 166 M€ + 8 M€ - 544 M€ - 564 M€ - 4,990 M€ - 51 M€ - 294 M€ - 6,056 M€ - 0 M€ - 6,219 M€	Measure of current assets excluding cash and financial investments equivalent to cash, less suppliers and other payables and current income tax liabilities

M€ = millions of Euro; € = Euro.

⁽¹⁾ See Note 2 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-months period ended 30 June 2023.

Alternative Performance Measures (APMs)	Unit	Definition	Reconciliation of Alternative Performance Measures (APMs)		Relevance of use
			January–June 2023	January–June 2022 ⁽¹⁾	
Gross invested capital	M€	Total net non-current assets + Total net working capital	19,706 M€ = 20,320 M€ + 614 M€	19,565 M€ = 19,256 M€ + 309 M€	Total net non-current assets plus total net working capital
Total deferred tax assets and liabilities and provisions	M€	- Provisions for pensions and similar obligations - Other non-current provisions - Current provisions + Deferred tax assets - Deferred tax liabilities	(2,720) M€ = - 262 M€ - 2,454 M€ - 769 M€ + 2,020 M€ - 1,255 M€	(2,965) M€ = - 278 M€ - 2,686 M€ - 1,236 M€ + 2,660 M€ - 1,425 M€	Measure of deferred tax assets and liabilities and provisions
Net Invested Capital	M€	Gross capital invested - Total deferred tax assets and liabilities and provisions + Net non-current assets held for sale and discontinued operations	17,013 M€ = 19,706 M€ - 2,720 M€ + 27 M€	16,627 M€ = 19,565 M€ - 2,965 M€ + 27 M€	Measure of gross capital invested plus total provisions and deferred tax assets and liabilities and non-current assets held for sale and discontinued operations
Book value per share	€	Equity of the Parent / Number of shares at the end of the reporting period	5.885 € = 6,231 M€ / 1,058,752,117 shares	5.249 € = 5,557 M€ / 1,058,752,117 shares	Measure of the portion of own funds corresponding to each share outstanding
Market cap	M€	Number of Shares at the end of the Reporting Period * Price at the end of the Reporting Period	20,804 M€ = 1,058,752,117 shares * 19.650 €	18,671 M€ = 1,058,752,117 shares * 17.635 €	Measure of the Company's market value according to the share price
Price to Earnings Ratio (P.E.R.) Ordinary	N/A	Price at the end of the reporting period / Net earnings per share for the last 12 months	8.18 = 19.650 € / 2.402 €	7.79 = 17.635 € / 2.265 €	Measure indicating the number of times net ordinary earnings per share can be divided into the market price of the shares
Price to Earnings Ratio (P.E.R.)	N/A	Price at the end of the reporting period / Net earnings per share for the last 12 months	8.31 = 19.650 € / 2.37 €	7.35 = 17.635 € / 2.400 €	Measure indicating the number of times net earnings per share can be divided into the market price of the shares
Price / Carrying amount	N/A	Market cap / Equity of the Parent	3.34 = 20,804 M€ / 6,231 M€	3.36 = 18,671 M€ / 5,557 M€	Measure comparing the Company's market value according to the share price with the carrying amount.

M€ = millions of Euro; € = Euro.

⁽¹⁾ See Note 2 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-months period ended 30 June 2023.

Alternative Performance Measures (APMs)	Unit	Definition	Reconciliation of Alternative Performance Measures (APMs)		Relevance of use
			2022	2021	
Shareholder return	%	Stock market return + Dividend yield	(5.59%) = (12.70%) + 7.11%	(0.61%) = (9.62%) + 9.01%	Measure of the relationship between the amount invested in a share and the economic result delivered, which includes the effect of the change in price of the share in the year and of the gross dividend received in cash (without considering reinvestment).

M€ = millions of Euro; € = Euro.

Alternative Performance Measures (APMs)	Unit	Definition	Reconciliation of Alternative Performance Measures (APMs)		Relevance of use
			2022	2021	
Stock market return	%	(Share price at the close of the period - Share price at the beginning of the period / Share price at the beginning of the period	(12.70%) = (17635 € - 20.200 €) / 20.200 €	(9.62%) = (20.200 € - 22.350 €) / 22.350 €	Measure of the relationship between the amount invested in a share and the effect of the change in the share price during the year.
Dividend yield	%	(Gross dividend paid in the year) / Share price at the beginning of the period	7.11% = 1.4372 € / 20.200 €	9.01% = 2.0136 € / 22.350 €	Measure of the relationship between the amount invested in a share and the gross dividend received in cash (without considering any reinvestment).
Consolidated ordinary pay-out	%	(Gross dividend per share * Number of shares at the end of the reporting period) / Net ordinary income of the Parent.	70.0% = (1.5854 € * 1,058,752,117 shares) / 2,398 M€	80.0% = (1.4372 € * 1,058,752,117 shares) / 1,902 M€	Measure of the part of ordinary income obtained used to remunerate shareholders through the payment of dividends (consolidated Group)
Consolidated Pay-Out	%	Gross Dividend per Share * Number of Shares at the end of the Reporting Period) / Profit for the Year of the Parent	66.1% = (1.5854 € * 1,058,752,117 shares) / 2,541 M€	106.0% = (1.4372 € * 1,058,752,117 shares) / 1,435 M€	Measure of the part of profits obtained used to remunerate shareholders through the payment of dividends (consolidated Group)
Individual Pay-Out	%	(Gross dividend per share * Number of shares at the end of the reporting period / Profit of Endesa, S.A. for the year	240.8% = (1.5854 € * 1,058,752,117 shares) / 697 M€	261.9% = (1.4372 € * 1,058,752,117 shares) / 581 M€	Measure of the part of profits obtained used to remunerate shareholders through the payment of dividends (individual company)

M€ = millions of Euro; € = Euro.

10. Significant events in the period

10.1. Changes in the consolidation scope

Further information on changes in Endesa's consolidation scope can be found in Note 6 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

10.2. Russia-Ukraine conflict and COVID-19 health crisis

Information on the Russia-Ukraine conflict and the COVID-19 health crisis is disclosed in Note 4.2 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

11. Endesa's operating performance and earnings in the first half of 2023

11.1. Operating performance



⁽¹⁾ At power plant busbars.

⁽²⁾ Supply points.

⁽³⁾ Customers of the supply companies.

⁽⁴⁾ Sales to end customers.

⁽⁵⁾ Excluding own generation consumption.

Operating figures	SDGs ⁽¹⁾	Unit	January–June 2023	January–June 2022	Chg. (%)
Electricity generation ⁽²⁾		GWh	29,490	31,140	(5.3)
Generation of renewable electricity	7	GWh	7,291	6,215	17.3
Gross installed capacity		MW	22,819 ⁽³⁾	22,819 ⁽⁴⁾	–
Net installed capacity		MW	22,044 ⁽³⁾	22,044 ⁽⁴⁾	–
Net installed mainland renewable capacity	7	MW	9,196 ⁽³⁾	9,196 ⁽⁴⁾	–
Net installed non-mainland territory (“TNP”) renewable energy capacity	7	MW	97 ⁽³⁾	97 ⁽⁴⁾	–
Energy distributed ⁽⁵⁾	9	GWh	67,049	66,078	1.5
Digitalised customers ⁽⁶⁾	9	Thousands	12,357 ⁽³⁾	12,503 ⁽⁴⁾	(1.2)
Distribution and transmission grids	9	km	318,488 ⁽³⁾	317,829 ⁽⁴⁾	0.2
End users ⁽⁷⁾		Thousands	12,504 ⁽³⁾	12,459 ⁽⁴⁾	0.4
Ratio of digitalised customers ⁽⁸⁾		(%)	99 ⁽³⁾	100 ⁽⁴⁾	–
Gross electricity sales ⁽²⁾		GWh	42,079	42,903	(1.9)
Net electricity sales ⁽⁹⁾		GWh	37,702	38,485	(2.0)
Gas sales ⁽¹⁰⁾		GWh	35,449	35,936	(1.4)
Number of customers (Electricity) ^{(11) (12)}		Thousands	10,540 ⁽³⁾	10,545 ⁽⁴⁾	(0.0)
Deregulated market ⁽¹³⁾		Thousands	6,858 ⁽³⁾	6,829 ⁽⁴⁾	0.4
Number of customers (gas) ⁽¹¹⁾		Thousands	1,812 ⁽³⁾	1,799 ⁽⁴⁾	0.7
Liberalised market		Thousands	1,401 ⁽³⁾	1,486 ⁽⁴⁾	(5.7)
Public and private electricity charging stations	11	Units	16,586 ⁽³⁾	13,898 ⁽⁴⁾	19.3
Public lighting points	11	Units	138 ⁽³⁾	104 ⁽⁴⁾	32.7
Final headcount		No. of employees	9,271 ⁽³⁾	9,258 ⁽⁴⁾	0.1
Average headcount		No. of employees	9,099	9,164	(0.7)

⁽¹⁾ Sustainable Development Goals (SDGs).

⁽²⁾ At power plant busbars.

⁽³⁾ At 30 June 2023.

⁽⁴⁾ At 31 December 2022.

⁽⁵⁾ Energy supplied to customers, with or without a contract, ancillary consumption of generators and output towards other grids (transmission or distribution).

⁽⁶⁾ Activated smart meters.

⁽⁷⁾ Customers of distribution companies.

⁽⁸⁾ Number of digitalised customers / End users (%).

⁽⁹⁾ Sales to end customers.

⁽¹⁰⁾ Without in-house generation consumption.

⁽¹¹⁾ Supply points.

⁽¹²⁾ Customers of supply companies.

⁽¹³⁾ Customers of deregulated supply companies.

Electricity generation

GWh

Electricity Generation ⁽¹⁾	January–June 2023	January–June 2022	Chg. (%)
Mainland	24,211	25,251	(4.1)
Renewable energy	7,291	6,215	17.3
Hydroelectric	2,627	2,480	5.9
Wind ⁽²⁾	3,307	2,831	16.8
Photovoltaic ⁽³⁾	1,357	904	50.1
Nuclear power	12,441	13,447	(7.5)
Coal	305	670	(54.5)
Combined cycle (CCGT)	4,174	4,919	(15.1)
Non-mainland Territories ("TNP")	5,279	5,889	(10.4)
Coal	6	28	(78.6)
Fuel-gas	2,104	2,082	1.1
Combined cycle (CCGT)	3,169	3,779	(16.1)
TOTAL	29,490	31,140	(5.3)

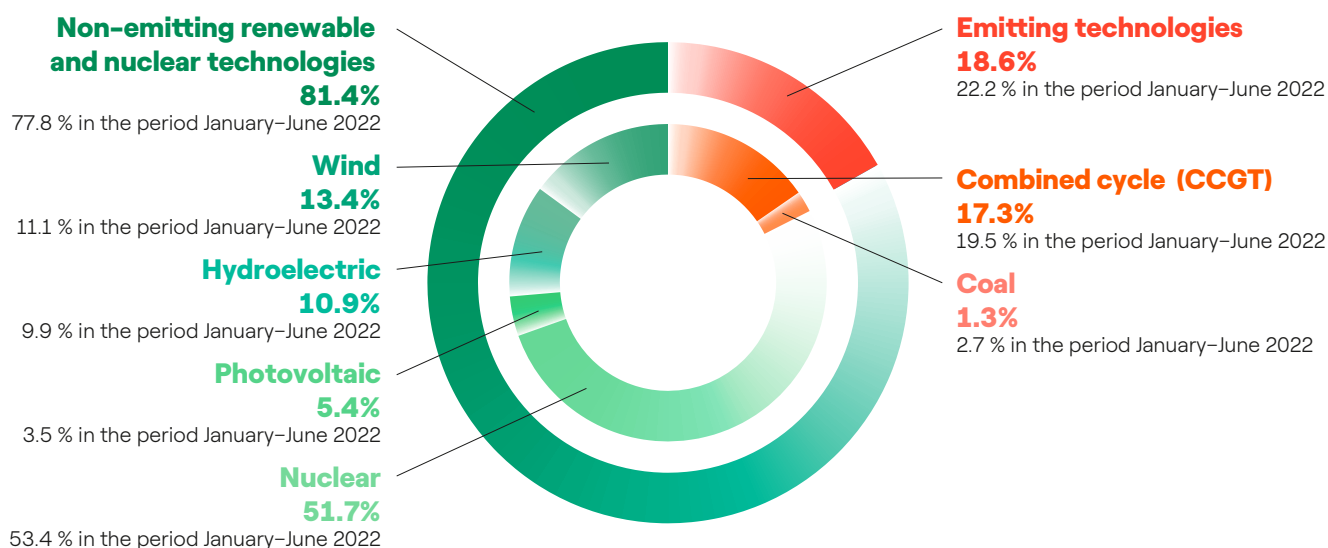
⁽¹⁾ In power plant busbars.

⁽²⁾ The period January–June 2023 includes 84 GWh corresponding to Non-mainland Territories (49 GWh period January–June 2022).

⁽³⁾ The period January–June 2023 includes 48 GWh corresponding to Non-mainland Territories ("TNP") (31 GWh in the period January–June 2022).

Non-emitting renewable and nuclear technologies accounted for 81.4% of Endesa's mainland generation mix in the half quarter of 2023, compared with 85.3% for the rest of the sector (77.8% and 78.2%, respectively, in the first half of 2022).

The following chart shows Endesa's mainland generation mix by technology in the period January–June 2023:



Gross and net installed capacity

Gross Installed Capacity	30 June 2023		31 December 2022		Chg. (%)
	MW	Percentage (%)	MW	Percentage (%)	
Mainland	18,082	79.2	18,082	79.2	—
Renewable energy ⁽¹⁾	9,337	40.9	9,337	40.9	—
Hydroelectric	4,790	21.0	4,790	21.0	—
Wind ⁽²⁾	2,882	12.6	2,882	12.6	—
Photovoltaic ⁽³⁾	1,665	7.3	1,665	7.3	—
Nuclear power	3,453	15.1	3,453	15.1	—
Coal	1,469	6.4	1,469	6.4	—
Combined cycle (CCGT)	3,823	16.8	3,823	16.8	—
Non-mainland Territories ("TNP")	4,7367	20.8	4,737	20.8	—
Coal	260	1.1	260	1.1	—
Fuel-gas	2,620	11.5	2,620	11.5	—
Combined cycle (CCGT)	1,857	8.2	1,857	8.1	—
TOTAL	22,819	100.0	22,819	100.0	—

⁽¹⁾ At 30 June 2023 and 31 December 2022, additional installed capacity was 0 MW and 908 MW, respectively.

⁽²⁾ At 30 June 2023, this includes 40 MW corresponding to Non-mainland Territories ("TNP") (40 MW at 31 December 2022).

⁽³⁾ At 30 June 2023, this includes 57 MW corresponding to Non-mainland Territories ("TNP") (57 MW at 31 December 2022).

Net Installed Capacity	30 June 2023		31 December 2022		Chg. (%)
	MW	Percentage (%)	MW	Percentage (%)	
Mainland	17,781	80.7	17,781	80.7	—
Renewable energy ⁽¹⁾	9,293	42.2	9,293	42.2	—
Hydroelectric	4,746	21.5	4,746	21.5	—
Wind ⁽²⁾	2,882	13.1	2,882	13.1	—
Photovoltaic ⁽³⁾	1,665	7.6	1,665	7.6	—
Nuclear power	3,328	15.1	3,328	15.1	—
Coal	1,403	6.4	1,403	6.4	—
Combined cycle (CCGT)	3,757	17.0	3,757	17.0	—
Non-mainland Territories ("TNP")	4,263	19.3	4,263	19.3	—
Coal	241	1.1	241	1.1	—
Fuel-gas	2,334	10.6	2,334	10.6	—
Combined cycle (CCGT)	1,688	7.6	1,688	7.6	—
TOTAL	22,044	100.0	22,044	100.0	—

⁽¹⁾ At 30 June 2023 and 31 December 2022, additional installed capacity was 0 MW and 908 MW, respectively.

⁽²⁾ At 30 June 2023, this includes 40 MW corresponding to Non-mainland Territories ("TNP") (40 MW at 31 December 2022).

⁽³⁾ At 30 June 2023, this includes 57 MW corresponding to Non-mainland Territories ("TNP") (57 MW at 31 December 2022).

The following chart breaks down Endesa's net installed capacity by technology at 30 June 2023:



(1) No change compared to net capacity as of 31 December 2022.

Electricity and gas sales

Electricity

Thousands

Number of customers (Electricity) ⁽¹⁾⁽²⁾	30 June 2023	31 December 2022	Chg. (%)
Regulated market	3,682	3,716	(0.9)
Mainland Spain	3,169	3,190	(0.7)
Non-mainland Territories ("TNP")	513	526	(2.5)
Deregulated market	6,858	6,829	0.4
Mainland Spain	5,247	5,245	0.0
Non-mainland Territories ("TNP")	984	972	1.2
Outside Spain	627	612	2.5
TOTAL	10,540	10,545	(0.0)
Revenue / Supply points⁽³⁾	1.6	2.2	-

⁽¹⁾ Supply points.

⁽²⁾ Customers of supply companies.

⁽³⁾ Relationship between annualised revenue from electricity sales and the number of electricity supply points (Thousands of Euro / Supply points).

GWh

	Gross electricity sales ⁽¹⁾			Net electricity sales ⁽²⁾		
	January-June 2023	January-June 2022	Chg. (%)	January-June 2023	January-June 2022	Chg. (%)
Regulated price	4,287	5,189	(17.4)	3,609	4,376	(17.5)
Deregulated market	37,792	37,714	0.2	34,093	34,109	(0.0)
Spanish	32,168	32,369	(0.6)	28,942	29,116	(0.6)
Outside Spain	5,624	5,345	5.2	5,151	4,993	3.2
TOTAL	42,079	42,903	(1.9)	37,702	38,485	(2.0)

⁽¹⁾ At power plant busbars.

⁽²⁾ Sales to end customers.

Gas

Thousands

Number of customers (gas) ⁽¹⁾	30 June 2023	31 December 2022	Chg. (%)
Regulated market	411	313	31.3
Mainland Spain	385	289	33.2
Non-mainland Territories ("TNP")	26	24	8.3
Deregulated market	1,401	1,486	(5.7)
Mainland Spain	1,175	1,258	(6.6)
Non-mainland Territories ("TNP")	67	69	(2.9)
Outside Spain	159	159	–
TOTAL	1,812	1,799	0.7
Revenue / Supply points⁽²⁾	3.6	3.4	–

⁽¹⁾ Supply points.

⁽²⁾ Relationship between annualised revenue from gas sales and the number of gas supply points (Thousands of Euro / Supply points).

GWh

Gas sales	January–June 2023	January–June 2022	Chg. (%)
Deregulated market	34,263	35,194	(2.6)
Spanish	26,503	26,661	(0.6)
Outside Spain	7,760	8,533	(9.1)
Regulated market	1,186	742	59.8
TOTAL⁽¹⁾	35,449	35,936	(1.4)

⁽¹⁾ Excluding own generation consumption.

Electricity distribution

Supply quality measures	January–June 2023	January–June 2022	Chg. (%)
Energy distributed (GWh) ⁽¹⁾	67,049	66,078	1.5
Energy losses (%) ⁽²⁾	6.9	7.3	–
Installed Capacity Equivalent Interruption Time (Average) – ICEIT (Minutes) ⁽³⁾	24.9	28.8	(13.1)
Duration of Interruptions in the Distribution Grid – SAIDI (Minutes) ⁽⁴⁾	67.4	65.5	2.9
Number of Interruptions in the Distribution Grid – SAIFI ⁽⁴⁾	1.3	1.3	–

⁽¹⁾ Energy supplied to customers with or without a contract, ancillary consumption of generators and output towards other grids (transmission or distribution).

⁽²⁾ Input of energy in the distribution grid (or energy injected into the distribution grid), less distributed energy divided among the energy input to the distributor (or energy injected into the distribution grid).

⁽³⁾ Criteria of the Spanish regulator Includes data of In-house, Scheduled and Transmission of Installed Capacity Equivalent Interruption Time (ICEIT).

⁽⁴⁾ Source: In-house. Figures for the last 12 months.

Marketing of other products and services

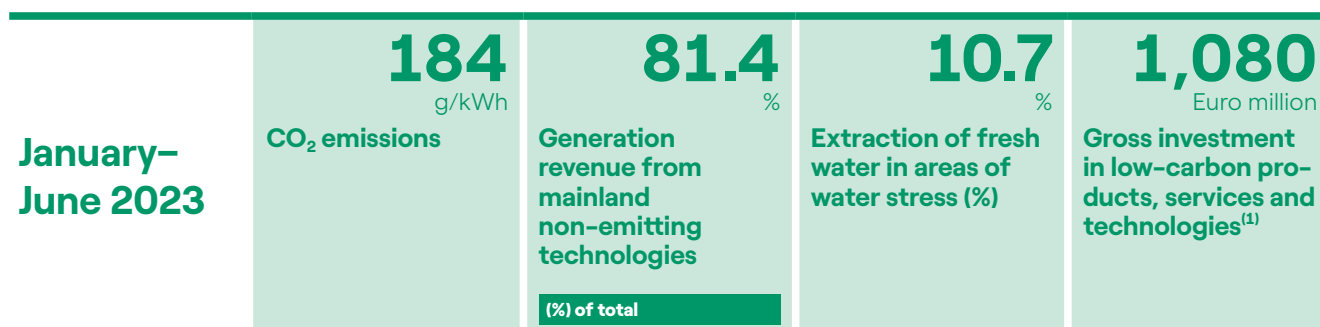
Business performance	30 June 2023	31 December 2022	Chg. (%)
Public and private electricity charging stations (units)	16,586	13,898	19.3

11.2. Climate change and environmental protection

Information on climate change is disclosed in Section 5.3 of the Consolidated Management Report for the year ended 31 December 2022.

During the first half of 2023, Endesa made further progress towards its pledge of leading the energy transition, in accordance with the commitments set out in the 2023–2025 Strategic Plan and in line with the United Nation's Sustainable Development Goals (SDGs). More precisely,

this involves developing a business model consistent with the objectives of the Paris Agreement to overcome the challenge of decarbonisation and thus contain the average increase in global temperatures to below 1.5 °C compared to pre-industrial levels (see Note 4.1 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023).



(1) See Section 9 of this Consolidated Management Report.

Key performance indicators (KPIs) related to climate change and environmental protection

In the first half of 2023 and 2022, the key performance indicators (KPIs) in relation to environmental performance were as follows:

Key performance indicators (KPIs) ⁽¹⁾	Unit	Description	January–June 2023	January–June 2022
CO ₂ emissions, scope 1 green-house gasses (GHG)	Tonnes (t)	Emissions of greenhouse gasses (GHG) in Scope 1 of the carbon footprint, which include direct emissions of green-house gasses from sources controlled by the Company (including emissions from electricity generation at thermal power plants, use of sulphur hexafluoride (SF ₆), methane leaks at hydropower plant reservoirs, air conditioning of offices, and emissions from own vehicles).	5,553,704	6,146,000
Scope 1 carbon dioxide (CO ₂) emissions – Specific	(gCO ₂ eq/kWh)	Scope 1 specific greenhouse gas (GHG) emissions from the electricity generation process.	184	203
CO ₂ emissions, Scope 3 green-house gasses (GHG) attributable to gas sales	Tonnes (t)	Emissions of greenhouse gasses (GHG) in Scope 3 of the carbon footprint, which include emissions resulting from Endesa's activity but not produced by sources its controls. These relate specifically to gas sales.	5,550,727	8,429,083
CO ₂ emissions, Scope 3 green-house gasses (GHG) relating to electricity sales	Tonnes (t)	Emissions of greenhouse gasses (GHG) in Scope 3 of the carbon footprint, which include emissions resulting from the Company's activity but not produced by sources its con-trols. These relate specifically to electricity sales.	1,937,051	1,767,320
Carbon Dioxide Emissions (CO ₂) Scope 1 and 3 integrated electricity	(gCO ₂ eq/kWh)	Specific greenhouse gas (GHG) emissions for electricity trading, including own generation (Scope 1) and purchases from third parties (Scope 3).	196	206
Specific sulphur dioxide (SO ₂) emissions	gSO ₂ /kWh	Specific emissions of sulphur dioxide (SO ₂).	0.11	0.12
Specific nitrogen oxide (NO _x) emissions	gNO _x /kWh	Specific nitrogen oxide (NO _x) emissions.	0.69	0.70
Specific particle emissions	g/kWh	Specific particle emissions.	0.01	0.01
Extraction of fresh water in areas of water stress	%	Water withdrawal for industrial use from facilities located in water-scarce areas as a proportion of total industrial water withdrawn for electricity generation.	10.7	21.0
Specific water withdrawal for industrial use for total production	l/MWh	Specific water consumption for total production	81.2	62.0
Total water extraction for industrial use	(mln m ³)	Total water extraction for industrial use	2.39	1.93
Area occupied by facilities in protected natural spaces (cumulative figure at 31 December 2022)	km ²	Area covered by facilities in protected natural spaces.	374 ⁽²⁾	374 ⁽³⁾

⁽¹⁾ Source: Prepared in-house.

⁽²⁾ At 31 December 2022.

⁽³⁾ At 31 December 2023.

Water resources

Endesa has identified water as a critical resource that will be affected by climate change and the integrated management of water is one of its main concerns. The main tasks in this area entail improvements to consumption efficiency, water quality by controlling dumping and wastewater and reservoir management, with an assessment of ecological potential for birdlife, control of invasive species and preventing dry-up in regulated rivers.

Endesa has procedures to control and reduce water dumping and to boost quality, mainly by means of wastewater treatment facilities, and conducts regular analyses to pinpoint instances of water stress at its facilities.

Section 12.3 of the Consolidated Management Report for the year ended 31 December 2022 describes the advanced environmental and water management systems in place at Endesa.

Biodiversity Conservation Plan («PCBdE»)

Endesa considers the protection of biodiversity, natural capital and the services it provides to society (ecosystem services) as a priority in the implementation of its business strategy. The Company is fully aware of the risks involved in their loss. To fulfil this commitment, since its inception, Endesa has undertaken numerous voluntary projects to

conserve and improve the natural environment around its facilities. These initiatives often go well beyond the minimum environmental obligations required of companies. These projects are included in Endesa's Biodiversity Conservation Plan («PCBdE»).

The main lines of action of the Plan are:

	Lines of action
Endesa Biodiversity Conservation Plan («PCBdE»)	<ul style="list-style-type: none"> Restoring the physical environment on the land and at our facilities to increase their capacity for hosting biodiversity.
	<ul style="list-style-type: none"> Managing the factors in the natural environment surrounding our facilities that contribute to improving the habitats of certain species.
	<ul style="list-style-type: none"> Recognising natural capital and the ecosystems it is home to, their value and state of conservation.
	<ul style="list-style-type: none"> Preserving native species and controlling invasive species at Endesa facilities and in the surrounding area.

Key actions undertaken by Endesa are described in Section 12.4 of the Consolidated Management Report for the year ended 31 December 2022.

11.3. Analysis of results

2,476 Euro million	1,521 Euro million	879 Euro million	879 Euro million
Gross operating income (EBITDA)⁽¹⁾	Operating income (EBIT)⁽¹⁾	Net profit/(loss)⁽¹⁾	Net ordinary income⁽¹⁾
+ 13.2% compared to January to June 2022	+ 15.6% compared to January to June 2022	- 4.0% compared to January to June 2022	+ 19.8% compared to January to June 2022

⁽¹⁾ See definition in Section 9 of this Consolidated Management Report.

Net income attributable to the Parent amounted to Euro 879 million in the first half of 2023, compared to Euro 916 million in the same period of the previous year (-4.0%).

Net ordinary income amounted to Euro 879 million from January to June 2023, up 19.8% on the Euro 734 million reported in the same period of the previous year.

The following effects should be considered when analysing net income in the first half of 2023:

Period	Effect	References ⁽¹⁾	Change	
January–June 2023	Temporary Energy Tax	5 and 9.3	▼ Euro 208 million	• Recognition of the expense due to the temporary energy tax ushered in by Law 38/2022, of 27 December.
January–June 2022	Sale of 51% of Endesa X Way, S.L.	6.1 and 12	▲ Euro 182 million	• Net income generated from the sale of 51% of the holding of Endesa X Way, S.L. to Enel X Way, S.r.l. and the recognition of the holding (49%) retained at fair value as a result of the loss of control over that company.
	Social Bonus	9.3, 14.1 and 44	▲ Euro 125 million	• Through Ruling 202/2022 of 21 February 2022, handed down by the Supreme Court in Appeal No. 687/2017, the right was acknowledged of Endesa, S.A. to be compensated for the amounts borne to finance and co-finance the Social Bonus with the public administrations during the whole term that the third financing system of the Social Bonus is in force, so that all amounts paid in this regard are refunded to the complainant by discounting the amounts that, where appropriate, had been passed on to customers. Endesa has not passed on the financing cost to customers, hence there are robust arguments to justify its entitlement to a full refund of all the amounts borne in this regard. In particular, with regard to the regulated segment of supply activities, the reference suppliers cannot pass on that cost to customers since their remuneration system does not allow it, hence the recovery of such amounts must be automatic. On 26 May 2023, the Supreme Court partially upheld the motion filed by Endesa declaring the right of Energía XXI Comercializadora de Referencia, S.L.U. to be paid Euro 152 million and legal interest by the government for financing the Bono Social in the regulated segment of the market.

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

The table below shows the key figures from Endesa's Consolidated Income Statement for the first half of 2023 and changes compared to the same period in the previous year.

Millions of Euro

	Notes ⁽¹⁾	Key figures			
		January–June 2023	January–June 2022	Difference	Chg. (%)
Revenue	8	13,121	14,851	(1,730)	(11.6)
Procurements and services	9	(8,057)	(10,956)	2,899	(26.5)
Income and expenses from energy commodity derivatives	10	(1,506)	(923)	(583)	63.2
Contribution margin⁽²⁾		3,558	2,972	586	19.7
Self-constructed assets		147	134	13	9.7
Personnel expenses	11.1	(520)	(499)	(21)	4.2
Other fixed operating expenses	11.2	(711)	(660)	(51)	7.7
Other gains and losses	12	2	241	(239)	(99.2)
Gross operating income (EBITDA)⁽²⁾		2,476	2,188	288	13.2
Depreciation and amortisation, and impairment losses on non-financial assets	13.1	(853)	(791)	(62)	7.8
Impairment losses on financial assets	13.2	(102)	(81)	(21)	25.9
Operating Income (EBIT)⁽²⁾		1,521	1,316	205	15.6
Net financial profit/(loss)⁽²⁾	14	(270)	(56)	(214)	382.1
Profit/(loss) before tax		1,261	1,273	(12)	(0.9)
Net profit/(loss)⁽²⁾		879	916	(37)	(4.0)
Net ordinary income⁽²⁾		879	734	145	19.8

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

⁽²⁾ See definition in Section 9 of this Consolidated Management Report.

Gross operating income (EBITDA) for the first half of 2023 stood at Euro 2,476 million (+13.2%).

Operating income (EBIT) was up 15.6% in the first six months of 2023 compared to the same period in the previous year, to reach Euro 1,521 million.

In order to analyse this performance, the following effects should be taken into account:

Period	Effect	Notes ⁽¹⁾	Change	
January–June 2023	Temporary Energy Tax	5 and 9.3	▼ Euro 208 million.	<ul style="list-style-type: none"> Recognition of the expense associated with the temporary energy levy ushered in by Law 38/2022 of 27 December (see Section 11.3.2 of this Consolidated Management Report).
January–June 2022	Sale of 51% of Endesa X Way, S.L.	6.1, 12 and 23	▲ Euro 238 million	<ul style="list-style-type: none"> Net income generated from the sale of 51% of the holding of Endesa X Way, S.L. to Enel X Way, S.r.l. and the recognition of the holding (49%) retained at fair value as a result of the loss of control over that company.
	Social Bonus	9.3, and 14.1 and 44	▲ Euro 152 million	<ul style="list-style-type: none"> Through the Ruling 202/2022 of 21 February 2022, handed down by the Supreme Court in Appeal No. 687/2017, the right was acknowledged of Endesa, S.A. to be compensated for the amounts borne to finance and co-finance the Social Bonus with the public administrations during the whole term that the third financing system of the Social Bonus is in force, so that all amounts paid in this regard are refunded to the complainant by discounting the amounts that, where appropriate, had been passed on to customers. Endesa has not passed on the financing cost to customers, hence there are robust arguments to justify its entitlement to a full refund of all the amounts borne in this regard. In particular, with regard to the regulated segment of supply activities, the reference suppliers cannot pass on that cost to customers since their remuneration system does not allow it, hence the recovery of such amounts must be automatic. On 26 May 2023, the Supreme Court partially upheld the motion filed by Endesa declaring the right of Energía XXI Comercializadora de Referencia, S.L.U. to be paid Euro 152 million and legal interest by the government for financing the Bono Social in the regulated segment of the market.

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

11.3.1. Income

In the first half of 2023, revenue stood at Euro 13,121 million, Euro 1,730 million lower (-11.6%) than in the first half in 2022.

Below are details of the revenue for the first half of 2023 and its variations relative to the same period of the previous year:

	Notes ⁽¹⁾	Revenue			
		January–June 2023	January–June 2022	Difference	Chg. (%)
Revenue from sales and services	8.1	12,895	14,702	(1,807)	(12.3)
Other operating income	8.2	226	149	77	51.7
TOTAL	8	13,121	14,851	(1,730)	(11.6)

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

Revenue from sales and services

The table below breakdowns revenue from sales and services in the first half of 2023 and shows the change compared with the same period in the previous year.

Millions of Euro

	Notes ⁽¹⁾	Revenue from sales and services			
		January–June 2023	January–June 2022	Difference	Chg. (%)
Electricity sales		8,184	10,355	(2,171)	(21.0)
Sales on the deregulated market		5,931	6,625	(694)	(10.5)
Sales to the Spanish deregulated market		5,253	5,868	(615)	(10.5)
Sales to customers in deregulated markets out-side Spain		678	757	(79)	(10.4)
Sales at regulated prices		716	1,609	(893)	(55.5)
Wholesale market sales		851	1,725	(874)	(50.7)
Compensation for Non-mainland Territories ("TNP")		686	351	335	95.4
Remuneration for investment in renewable energies		–	27	(27)	(100.0)
Other electricity sales		–	18	(18)	(100.0)
Gas sales		3,250	2,990	260	8.7
Sales on the deregulated market		3,111	2,914	197	6.8
Sales at regulated prices		139	76	63	82.9
Regulated revenue from electricity distribution		1,003	1,012	(9)	(0.9)
Verifications and clips		17	17	–	–
Rendering of services at facilities		21	11	10	90.9
Other sales and rendering of services		416	315	101	32.1
Sales related to Value Added Services		191	179	12	6.7
Proceeds due to capacity		7	9	(2)	(22.2)
Sales of other energy commodities		89	6	83	1,383.3
Provision of services and others		129	121	8	6.6
Lease revenue		4	2	2	100.0
TOTAL	8.1	12,895	14,702	(1,807)	(12.3)

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

Electricity sales to deregulated market customers

In the first half of 2023, sales on the deregulated market amounted to Euro 5,931 million (-10.5%), broken down as follows:

Sales on the deregulated market	Change	
Spain	▼ Euro 615 million (-10.5%)	<ul style="list-style-type: none"> The change between both periods is due to the reduction in the unit price (-11.5%), mainly of Business to Business (B2B) indexed customers, and also a reduction in the number of total units sold (-0.6%).
Outside Spain	▼ Euro 79 million (-10.4%)	<ul style="list-style-type: none"> The reduction in revenues in the Portuguese market due to the network access tariff together with the decline in physical units sold (-2.9%) led to a reduction in these sales in economic terms.

Electricity sales at a regulated price

In the first half of 2023, these sales generated revenue of Euro 716 million, down 55.5% on the first quarter of 2022, as a result of both the price reduction and the decrease in physical units sold (-17.5%).

Electricity sales in the wholesale market

Revenues from electricity sales to the wholesale market in the first half of 2023 amounted to Euro 851 million, down 50.7% on the same period of the previous year due to the trend in electricity prices during the period (-57.1%) despite the increase in physical units sold (+34%).

Remuneration for investment in renewable energies

Period	Amount	
January–June 2023	Euro 0 million	<ul style="list-style-type: none">Pursuant to Order TED/741/2023, of 30 June, which updates the remuneration parameters for standard installations applicable to certain electricity production facilities using renewable energy sources, cogeneration and waste, for the purposes of applying them to the regulatory half-period commencing on 1 January 2023, most of Endesa's electricity production facilities using renewable energy sources cease to receive additional remuneration as the revenues from the electricity market are considered sufficient to achieve the reasonable return established (see Note 5 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023).
January–June 2022	Euro 27 million	<ul style="list-style-type: none">This amount included the recognition Euro 24 million in revenue resulting from the reversal of the liability generated from the adjustments made due to the deviation from the market price of standard facilities (SF) that had recovered their net asset value (NAV) at 30 June 2022 and ceased to receive a return on investment (RoI) from 1 January 2022 onward.

Gas sales

Revenue from gas sales in the first half of 2023 amounted to Euro 3,250 million, up Euro 260 million (+8.7%) on the figure reported in the first half of 2022, as a result, inter alia, of the net increase in the number of customers (+0.7%)

despite the decrease in price and the net reduction in physical units sold (-1.4%) both in the Spanish market and outside Spain.

Compensations for Non-mainland Territories (“TNP”)

In the first half of 2023, compensations for generation extra-cost overruns of Non-mainland Territories (“TNP”) amounted to Euro 686 million, up Euro 335 million on the same period of the previous year.

The change in compensation of the Non-mainland Territories between the first half of 2023 is largely the result of the decrease (-57.1%) of the price in the wholesale electricity market.

The wholesale market price, which is settled on account by the System Operator, increases or decreases, respectively, the amount of compensation to cover the regulated revenue resulting from the applicable regulations.

Electricity distribution

During the first half of 2023, Endesa distributed 67,049 GWh in the Spanish market, up 1.5% on the first half of 2022.

Regulated revenue from distribution activity during the first half of 2023 amounted to Euro 1,003 million, down Euro 9 million (-0.9%) on the same period of the previous year.

Sales of other energy commodities

Sales of other energy commodities with physical settlement increased by Euro 83 million, mainly due to changes in the settlement of carbon dioxide (CO₂) emission allowance derivatives and guarantees of origin, which should be read in conjunction with the increase in purchases of those energy commodities with physical settlement amounting

to Euro 63 million, as recognised under “Other variable procurements and services” in the Consolidated Income Statement. These sales and purchases are made to cover the industrial risks caused by the variability of the market and the technologies that have participated in it.

Other operating income

The table below breaks down other operating income in the first half of 2023 and shows the change compared with the same period of the previous year.

Millions of Euro

	Notes ⁽¹⁾	Other operating income			
		January–June 2023	January–June 2022	Difference	Chg. (%)
Charge to results of Facilities transferred from customers and Rights for extension connections and other liabilities from contracts with customers	24.2	87	84	3	3.6
Grants released to income		56	34	22	64.7
Consumption of Guarantees of Origin and other Environmental Certificates ⁽²⁾		47	12	35	291.7
Other allocations to profit/(loss) from grants ⁽³⁾		9	22	(13)	(59.1)
Third- party compensation		7	(16) ⁽⁴⁾	23	(143.8)
Other		76 ⁽⁵⁾	47	29	61.7
TOTAL	8.2	226	149	77	51.7

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

⁽²⁾ Relates to guarantees of origin generated in relation to the production of energy from own installations making use of renewable resources. The change here is a result of increases in the price of these guarantees (+21.5%), together with an added focus on electricity generation from renewable sources under the Strategic Plan.

⁽³⁾ In the first half of 2023, it included Euro 8 million in capital related to grants and Euro 1 million to operating grants (Euro 8 million and Euro 14 million, respectively, in the first half of 2022).

⁽⁴⁾ Included the re-settlements of the distribution activity recognised in 2021 amounting to Euro 29 million.

⁽⁵⁾ Includes Euro 20 million in discounting of dismantling provisions pertaining mainly to mainland coal-fired thermal power plants.

11.3.2. Operating expenses

Operating expenses in the first half of 2023 amounted to Euro 11,600 million, down 14.3% on the same period in the previous year.

The table below breaks down operating expenses in the first half of 2023 and shows the change relative to the same period of the previous year.

Millions of Euro

	Notes ⁽¹⁾	Operating expenses			
		January– June 2023	January– June 2022	Difference	Chg. (%)
Procurements and services		8,057	10,956	(2,899)	(26.5)
Power purchases	9.1	3,734	6,545	(2,811)	(42.9)
Fuel consumption	9.2	1,234	1,597	(363)	(22.7)
Transmission costs		1,486	1,925	(439)	(22.8)
Other variable procurements and services	9.3	1,603	889	714	80.3
Taxes and charges		667	419	248	59.2
Temporary Energy Tax		208	-	208	Na
Tax on electricity production		(1)	(2)	1	(50.0)
Rate for the treatment of radioactive waste		102	110	(8)	(7.3)
Street lighting / works licences		120	149	(29)	(19.5)
Nuclear charges and taxes		58	53	5	9.4
Catalonia environmental tax		72	67	5	7.5
Water tax		20	1	19	1,900.0
Other taxes and charges		88	41	47	114.6
“Bono Social” discount rate		123	(121)	244	Na
Consumption of carbon dioxide (CO2) emission allowances		426	374	52	13.9
Consumption of energy with guarantees of origin and other environmental certificates		66	9	57	633.3
Costs related to Value Added Services		94	95	(1)	(1.1)
Purchases of other energy commodities		67	4	63	1,575.0
Other		160	109	51	46.8
Income and expenses from energy commodity derivatives	10	1,506	923	583	63.2
Self-constructed assets		(147)	(134)	(13)	9.7
Personnel expenses	11.1	520	499	21	4.2
Other fixed operating expenses	11.2	711	660	51	7.7
Other gains and losses	12	(2)	(241)	239	(99.2)
Depreciation and amortisation, and impairment losses on non-financial assets	13.1	853	791	62	7.8
Impairment losses on financial assets	13.2	102	81	21	25.9
TOTAL		11,600	13,535	(1,935)	(14.3)

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

Procurements and services (variable costs)

Procurements and services (variable costs) totalled Euro 8,057 million in the first half of 2023, 26.5% less than in the same period of the previous year.

Changes in these costs in the first half of 2023 were as follows:

Procurements and Services	Change	
Power purchases	▼ Euro 2,811 million (-42.9%)	<ul style="list-style-type: none"> The performance here reflects the decrease in electricity purchases (Euro -2,205 million), due to the reduction in the arithmetic average price on the wholesale electricity market (88.3 €/MWh; -57.1%) partially offset by the increase in physical units purchased (+12.4%) and in gas purchases (Euro -606 million), largely due to the reduction in the average gas price (44.6 €/MWh; -55.0%).
Fuel consumption	▼ Euro 363 million (-22.7%)	<ul style="list-style-type: none"> The decrease is due mainly to the performance during the period of commodity prices and to the lower combined-cycle production on the mainland (-15.1%) and in the Non-mainland Territories ("TNP") (-16.1%).
Transmission costs	▼ Euro 439 million (-22.8%)	<ul style="list-style-type: none"> The variation between the two periods reflects the effect of the 40% reduction approved in electricity charges compared to those in force on 1 January 2022, through Order TED/1312/2022 of 23 December 2022 (see Section 16 of this Consolidated Management Report).
Other variable procurements and services	▲ Euro 714 million (+80.3%)	—
<i>Temporary Energy Tax</i>	▲ Euro 208 million	<ul style="list-style-type: none"> Recognition of the expense related to the new temporary energy tax introduced by Law 38/2022, of 27 December, establishing temporary levies on energy companies and financial credit institutions, creating the temporary solidarity tax on high-wealth subjects, and amending certain tax rules (see Section 16 of this Consolidated Management Report).
<i>Water tax</i>	▲ Euro 19 million (+1,900.0%)	<ul style="list-style-type: none"> The increase is due to the recognition of the expense accrued during the first half of 2023 under the provisions of Law 7/2022, of 8 April 2022, which was not due in 2022.
<i>"Bono Social" discount rate</i>	▲ Euro 244 million	<ul style="list-style-type: none"> In the first half of 2023 it includes the accrual of the Social Bonus in accordance with Royal Decree Law 6/2022, of March 29, considering the financing percentages established in Order TED 733/2022, of July 22 in the amount of Euro 123 million. In the first half of 2022 included the recording of 152 million as a result of Ruling 202/2022 of February 21, 2022, issued by the Supreme Court in Appeal No. 687/2017, which recognizes the right of Endesa, S.A. to be compensated for the amounts paid for financing and co-financing with the Public Administrations of the Bono Social, during the entire period of validity of the third financing scheme of the Bono Social, so that the plaintiff is reimbursed all the amounts paid, discounting those that, if any, would have been passed on to customers. Endesa, S.A. did not pass on, either directly or indirectly, the cost of financing to customers, and therefore there are well-founded arguments to justify its right to full recovery of all the amounts paid for this concept. In particular, as far as the regulated segment of the commercialization activity is concerned, the reference marketers cannot pass this cost on to the customers as their remuneration system does not allow it, so the recovery of these amounts should be automatic. On 26 May, 2023 the Supreme Court partially upheld the claim filed by Endesa in which it declared the right of Energía XXI Comercializadora de Referencia, S.L.U. to be paid the amount of Euro 152 million and the legal interest for the financing of the Bono Social referring to the regulated segment of the market (see Note 44 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023). Additionally, includes 18 million of income relating to the reversal of the accrued and unpaid amounts corresponding to Settlement 12 of 2021 not finally issued by the National Markets and Competition Commission ("CNMC") in relation to the financing and co-financing with the Public Administrations of the Social Bonus, as a consequence of Supreme Court Ruling 202/2022, dated February 21, 2022, issued in Appeal 687/2017 declaring the inapplicability of the financing regime of the Social Bonus and the cost of the electricity supply of the consumer at risk of social exclusion established in article 45. 4 of Law 24/2013, of December 26, 2013, as being incompatible with Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity.
<i>Consumption of carbon dioxide (CO₂) emission allowances</i>	▲ Euro 52 million (+13.9%)	<ul style="list-style-type: none"> The performance reflects the increase in the average price of carbon dioxide (CO₂) emission allowances (86.7 €/t; +4.3%), despite the decrease in tonnes (-14.5%) due to the decrease in production using emitting technologies.
<i>Consumption of energy with guarantees of origin and other environmental certificates</i>	▲ Euro 57 million (+633.3%)	<ul style="list-style-type: none"> The variation between the periods is due to changes in the average price of guarantees of origin (+21.5%), together with increased consumption of these guarantees as the Company looks to focus on the generation and supply of electricity from renewable energies.
<i>Purchases of other energy commodities</i>	▲ Euro 63 million (+1,575.0%)	<ul style="list-style-type: none"> Movements in these costs are analysed together with sales of other energy materials (see Section 11.3.1 of this Consolidated Management Report).

Income and expenses from energy commodity derivatives

The following table shows revenue and expenses arising from energy commodity derivatives in the first half of 2023 and the changes with respect to the previous year.

Millions of Euro

	Notes ⁽¹⁾	January– June 2023	January– June 2022	Difference	Chg. (%)
Revenue					
Revenue from derivatives designated as hedging instruments		1,462	1,535	(73)	(4.8)
Revenue from cash flow hedging derivatives ⁽²⁾		1,462	1,535	(73)	(4.8)
Income from derivatives at fair value with changes in profit/loss		245	2,953	(2,708)	(91.7)
Revenue from fair value derivatives recognised in the income statement		245	2,953	(2,708)	(91.7)
Total revenue		1,707	4,488	(2,781)	(62.0)
Expenses					
Expenses from derivatives designated as hedging instruments		(2,206)	(1,967)	(239)	12.2
Expenses from cash flow hedging derivatives ⁽²⁾		(2,206)	(1,967)	(239)	12.2
Expenses from derivatives at fair value through profit and loss		(1,007)	(3,444)	2,437	(70.8)
Expenses on from fair value derivatives recognised in the income statement		(1,007)	(3,444)	2,437	(70.8)
Total expenses		(3,213)	(5,411)	2,198	(40.6)
TOTAL	¹⁰	(1,506)	(923)	(583)	63.2

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

⁽²⁾ At 30 June 2023, this includes a positive impact of Euro 113 million on the Consolidated income statement due to inefficiencies (negative Euro 65 million at 30 June 2022).

In line with its General Risk Control and Management Policy, Endesa uses financial instruments (derivatives) to hedge the risks to which its activities are exposed. The use of derivatives is essential for Endesa to plan its operations, as they ensure the revenue to be obtained when delivering the products and the cost of the raw materials used in the production processes. This procedure therefore makes it possible to manage risk without exposing the business to short-term price developments (spot prices).

In the first half of 2023, total income and expenses from energy commodity derivatives amounted to Euro 1,506 million, negative, compared to Euro 923 million, also negative, in the same period of the previous year, due to the evolution of the valuation and settlement of electricity and, fundamentally, gas derivatives as a result of the price volatility of the energy markets in recent months, during which derivatives were contracted and whose settlement has taken place in the first half of 2023 (see Section 7.2.1 of this Consolidated Management Report).

Fixed operating expenses

The following table breaks down fixed operating expenses in the first half of 2023 and the change relative to the same period of the previous year.

Millions of Euro

	Notes ⁽¹⁾	Fixed operating expenses			
		January–June 2023	January–June 2022	Difference	Chg. (%)
Self-constructed assets		(147)	(134)	(13)	9.7
Personnel expenses	11.1	520	499	21	4.2
Other fixed operating expenses	11.2	711	660	51	7.7
TOTAL		1,084	1,025	59	5.8

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

In the first half of 2023, fixed operating costs amounted to Euro 1,084 million, up Euro 59 million (+5.8%) on the first half of 2022, as a result, inter alia, of the following aspects:

Fixed operating expenses	Change	
Repairs and maintenance	▲ Euro 10 million (+7.1%)	• This increase is a result, among other causes, of higher maintenance costs for fuel plants in Non-mainland Territories ("TNP").
Wages and salaries	▲ Euro 4 million (+1.1%)	• Higher personnel costs mainly due to the effects of inflation.
Other personnel expenses/employee benefits expense	▲ Euro 15 million (+15.6%)	• The increase is largely due to higher Social Security expenses pursuant to Order PCM/74/2023, of 30 January, which sets the contribution rate for common contingencies at 28.9% (28.3% in the period January–June 2022).
Taxes and charges	▲ Euro 8 million (+9.9%)	• The increase is due, among other aspects, to the higher expense on Property Tax («IBI») (Euro 4 million) resulting from the increase in wind farms and photovoltaic plants in operation, in line with the growth of renewable generation facilities envisioned in Endesa's Strategic Plan.
Sanctioning files	▲ Euro 3 million	• The evolution is a consequence, among other aspects, of the recognition in the period January–June 2022, of the net reversal in the Distribution Business Line of certain sanctioning proceedings for a total amount of Euro 4 million.
Cloud services	▲ Euro 10 million (+143.8%)	• Increased expenses from systems and telecommunications (ICT) activity, in accordance with the Company's digitalisation strategy.

Other results

In the first half of 2023 and 2022, the main transactions were as follows:

Millions of Euro

	Notes ⁽¹⁾	Other gains and losses			
		January–June 2023	January–June 2022	Difference	Chg. (%)
Disposals of investments in Group companies and other		–	239	(239)	Na
Holding of 51% of Endesa X Way, S.L.	6.2, 12 and 41	–	121 ⁽²⁾	(121)	Na
Results recognised as a consequence of the loss of control of Endesa X Way, S.L.	12	–	117 ⁽²⁾	(117)	Na
Holding of 40% of Boiro Energía, S.A. and Depuración Destilación Reciclaje, S.L.	6.2, and 12	–	1	(1)	Na
Non-current asset disposals⁽³⁾		2	2	–	–
TOTAL		2	241	(239)	(99.2)

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

⁽²⁾ On 29 April 2022, Endesa X Servicios, S.L.U. sold 51% of its stake in Endesa Movilidad Eléctrica, S.L.U., currently Endesa X Way, S.L., to Enel X Way, S.r.l. (an Enel Group company and parent of the electric mobility business), amounting to Euro 122 million, generating a gross capital gain of Euro 121 million. For Endesa, the sales meant the loss of control over Endesa X Way, S.L. As a result, the stake retained in that company was recognised for its fair value, leading to the recognition of a gross gain of Euro 117 million. The impact on income, net of tax, was Euro 182 million.

⁽³⁾ Relates to capital gross gains generated by the sale of land and real estate.

Depreciation and amortisation, and impairment losses on non-financial assets

The table below shows depreciation and amortisation, and impairment losses in the first half of 2023 and the changes therein compared to the previous year.

Millions of Euro

	Notes ⁽¹⁾	Depreciation and amortisation, and impairment losses			
		January–June 2023	January–June 2022	Difference	Chg. (%)
DEPRECIATION AND AMORTISATION	7.2.1	852	788	64	8.1
Provision for the depreciation of property, plant and equipment	18	700	658	42	6.4
Provision for amortisation of intangible assets	20	152	130	22	16.9
IMPAIRMENT LOSSES ON NON-FINANCIAL ASSETS	7.2.1	1	3	(2)	(66.7)
Provision for impairment losses		1	3	(2)	(66.7)
Provision for impairment losses on property, plant and equipment and investment property	7.2.1 and 18	1	1	–	–
Provision for impairment losses on intangible assets	7.2.1 and 20	–	2	(2)	(100.0)
TOTAL		853	791	62	7.8

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

Depreciation and amortisation, and impairment losses on non-financial assets in the first half of 2023 amounted to Euro 853 million, up Euro 62 million (+7.8%), which corresponds mainly to the depreciation and amortisation charge as a result, firstly, of the increased investment in

renewable energy electricity production systems and facilities and in distribution grids, in line with the Strategic Plan and, secondly, the increased capitalisation of the incremental costs incurred in obtaining contracts with customers.

	Net financial expense ⁽¹⁾			
	January–June 2023	January–June 2022	Difference	Chg. (%)
Net expense for financial instruments at amortised cost	(234)	(77)	(157)	203.9
Updating of provisions for workforce restructuring plans, dismantling of facilities and impairment of financial assets in accordance with IFRS 9 – Financial Instruments	(32)	41	(73)	(178.0)
Late-payment interest under the Social Bonus ruling	2	14	(12)	(85.7)
Factoring transaction fees	(22)	(14)	(8)	57.1
Late payment interest under sanctioning proceedings	(7)	–	(7)	Na
Other	3	8	(5)	(62.5)
TOTAL	(290)	(28)	(262)	935.7

⁽¹⁾ See definition in Section 9 of this Consolidated Management Report.

Changes in these costs in the first half of 2023 were as follows:

Net financial loss	Change	
Net expense for financial instruments at amortised cost	▲ Euro 157 million (+203.9%)	<ul style="list-style-type: none"> Amid the current uncertainty in the financial markets due to the interest rate hikes carried out by the central banks during the first half of the year, Endesa's net financial expense increased significantly due to the higher cost (i.e. interest) of its gross financial debt, which increased from 1.1% in the first half of 2022 to 3.0% in the first half of 2023, together with an increase in average gross financial debt, which climbed from Euro 13,523 million in the first half of 2022 to Euro 16,128 million in the first half of 2023. This was largely due to the increase, during 2022, of the financial deposits tied up as a result of trading activity in the organised markets in which Endesa arranges its derivative financial instruments (see Section 10.2 of the Consolidated Management Report for the year ended 31 December 2022).
Provisions for workforce restructuring plans, dismantling and impairment of financial assets (IFRS 9)	▲ Euro 73 million	<ul style="list-style-type: none"> The change is largely due to the increased expense caused by the updating of provisions for workforce restructuring plans (Euro 58 million) and costs of dismantling facilities (Euro 21 million).
Late-payment interest pursuant to the Social Bonus ruling	▼ Euro 12 million (-85.7%)	<ul style="list-style-type: none"> In the first half of 2023 and 2022, the Company recognised Euro 2 million and Euro 14 million, respectively, in late-payment interest as a result of the acknowledgement of the right of Endesa, S.A. to be compensated for the amounts borne to finance and co-finance the Social Bonus with the public administrations during the whole term that the third financing system of the Social Bonus is in force, so that all amounts paid in this regard are refunded to the complainant by discounting the amounts that, where appropriate, had been passed on to customers (see Note 44 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023).

Net exchange differences

Net exchange differences yielded to Euro 20 million, positive, in the first half of 2023 (Euro 28 million, negative, in the first half of 2022).

The difference is largely due to the trend in the euro/US dollar exchange rate during the first half of 2023 and its

impact on both the payments associated with contracts denominated in dollars and on the financial debt associated with rights of use corresponding to charter contracts for the transport of liquefied natural gas (LNG).

11.3.4. Net profit/(loss) of companies accounted for using the equity method

In the first half of 2023 and 2022, companies accounted for using the equity method contributed net income of Euro 10 million and Euro 13 million, respectively, broken down as follows:

Millions of Euro

	Notes ⁽¹⁾	Net profit/(loss) of companies accounted for using the equity method	
		January–June 2023	January–June 2022
Associates		1	10
Energías Especiales del Bierzo S.A.		1	3
Gorona del Viento El Hierro, S.A.		–	1
Compañía Eólica Tierras Altas, S.A.		2	2
Endesa X Way, S.L.		(2)	–
Boiro Energía, S.A.		–	2
Other		–	2
Joint Ventures		9	3
Énergie Électrique de Tahaddart, S.A.		2	–
Suministradora Eléctrica de Cádiz, S.A.		1	–
Other		6	3
TOTAL	15 and 23	10	13

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

11.3.5. Income tax

In the first half of 2023, income tax expense amounted to Euro 372 million, up Euro 51 million (+15.9%) on the amount reported in the first half of 2022.

The effective rate for the period January–June 2023 was 29.5% (25.2% in the period January–June 2022), due, among other factors, to the non-deductible expense related to

the temporary energetic levy in the amount of Euro 208 million and the limitation of the dividend exemption in effect as of 1 January 2021, in the amount of Euro 15 million. Without considering the effects described in the previous paragraphs, the effective tax rate for the January–June 2023 period was 24.2%.

11.3.6. Net income and net ordinary income

Net income attributable to the Parent in the first half of 2023 amounted to Euro 879 million, down Euro 37 million (–4.0%) on the amount reported in the same period of the previous year.

Net ordinary income attributable to the Parent in the first half of 2023 amounted to Euro 879 million (+19.8%), broken down as follows:

Millions of Euro

	Section	January–June 2023	January–June 2022	Difference	Chg. (%)
Net income⁽¹⁾		879	916	(37)	(4.0)
Net gain/(loss) on disposal of non-financial assets ⁽²⁾	11.3.2	–	(182)	182	(100.0)
Stake of 51% and profit/(loss) recognised due to the loss of control of Endesa X Way, S.L.		–	(182)	182	(100.0)
Net ordinary income⁽¹⁾		879	734	145	19.8

⁽¹⁾ See the definition provided in Section 9 of this Consolidated Management Report.

⁽²⁾ Above Euro 10 million.

11.4. Value created for stakeholders

The economic value generated and distributed by Endesa during the periods January–June 2023 and 2022 was as follows:

Millions of Euro

	Notes ⁽¹⁾	Section	January–June 2023	January–June 2022	Difference	Chg. (%)
Direct Economic Value Generated⁽²⁾			11,652	14,307	(2,655)	(18.6)
Revenue from sales and services	8.1	11.3.1	12,895	14,702	(1,807)	(12.3)
Other operating income	8.2	11.3.1	226	149	77	51.7
Net profit/(loss) of companies accounted for using the equity method	15	11.3.4	10	13	(3)	(23.1)
Income and expenses from energy commodity derivatives	10	11.3.2	(1,506)	(923)	(583)	63.2
Other gains/losses and finance income			27	366	(339)	(92.6)
Financial income	14.1	11.3.3	25	125	(100)	(80.0)
Other gains and losses	12	11.3.2	2	241	(239)	(99.2)
Economic Value Distributed to:⁽²⁾			(9,984)	(12,598)	2,614	(20.7)
Companies: Customers, suppliers and contractors			(8,008)	(11,112)	3,104	(27.9)
Power purchases	9.1	11.3.2	(3,734)	(6,545)	2,811	(42.9)
Fuel consumption	9.2	11.3.2	(1,234)	(1,597)	363	(22.7)
Transmission costs		11.3.2	(1,486)	(1,925)	439	(22.8)
Other variable procurements and services	9.3	11.3.2	(1,603)	(889)	(714)	80.3
(Taxes and charges in variable procurements)		11.3.2	667	419	248	59.2
Other fixed operating expenses	11.2	11.3.2	(711)	(660)	(51)	7.7
(Taxes and charges in fixed costs)			93	85	8	9.4
Employees		11.3.2	(520)	(499)	(21)	4.2
Public authorities			(1,132)	(825)	(307)	37.2
Income tax	16	11.3.5	(372)	(321)	(51)	15.9
Taxes and charges	9.3 and 11.2		(760)	(504)	(256)	50.8
Investment in social development ⁽³⁾			(9)	(9)	–	–
Financial community	14	11.3.3	(315)	(153)	(162)	105.9
Financial expense			(318)	(114)	(204)	178.9
Income and expenses on derivative financial instruments			3	(39)	42	(107.7)
Economic Value Retained⁽²⁾			1,668	1,709	(41)	(2.4)

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

⁽²⁾ See definition provided in Section 9 of this Consolidated Management Report.

⁽³⁾ Calculated in accordance with the London Benchmarking Group (LBG) methodology.

12. Equity and financial analysis

12.1. Net invested capital

The breakdown and trend in Endesa's net invested capital is as follows at 30 June 2023:

Millions of Euro

	Notes ⁽¹⁾	30 June 2023	31 December 2022	Difference
Net non-current assets:				
Property, plant and equipment and intangible assets	18 y 20	24,085	23,974	111
Goodwill	21	462	462	–
Investments accounted for using the equity method	23	283	274	9
Other Net Non-Current Assets/(Liabilities)		(4,510)	(5,454)	944
Total net non-current assets⁽²⁾		20,320	19,256	1,064
Net working capital:				
Trade receivables for sales and services and other receivables	29	4,808	5,472	(664)
Inventories	28	1,230	2,122	(892)
Other Net Current Assets/(Liabilities)		(603)	(1,066)	463
Suppliers and other payables	36	(6,049)	(6,219)	170
Total net working capital⁽²⁾		(614)	309	(923)
Gross invested capital⁽²⁾		19,706	19,565	141
Deferred tax assets and liabilities and provisions:				
Provisions for pensions and other similar obligations	33.1	(262)	(278)	16
Other provisions	33.3	(3,223)	(3,922)	699
Deferred tax assets and liabilities	22	765	1,235	(470)
Total deferred tax assets and liabilities and provisions		(2,720)	(2,965)	245
Non-current assets classified as held for sale and discontinued operations		27	27	–
Net invested capital⁽²⁾		17,013	16,627	386
Equity⁽³⁾	32	6,416	5,758	658
Net Financial Debt⁽²⁾⁽³⁾		10,597	10,869	(272)

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

⁽²⁾ See definition provided in Section 9 of this Consolidated Management Report.

⁽³⁾ See Section 12.2.2 of this Consolidated Management Report.

At 30 June 2023, gross capital invested stood at Euro 19,706 million. The change in the first half of 2023 was largely a result of the following impact:

Heading	Change	
Property, plant and equipment and intangible assets	▲ Euro 111 million (+0.5%)	<ul style="list-style-type: none"> The increase was mainly due to gross investments in property, plant and equipment and intangible assets of Euro 1,104 million in the first half of 2023, partially offset by the depreciation charge for the period of Euro 853 million and estimated dismantling costs of Euro 118 million, which were negative (see sections 11.3 and 12.6 of this Management Report).

At 30 June 2023, net capital invested amounted to Euro 17,013 million. The change in the first half of 2023 is due, first of all, to the variation in gross capital invested of Euro 141 million and, secondly, to the aspects detailed below:

Heading	Change	
Deferred tax assets and liabilities	▼ Euro 470 million (-38.1%)	<ul style="list-style-type: none"> The decrease is mainly due to changes in the heading "Valuation adjustments" in equity, which includes, among others, the fair value of derivative transactions for accounting cash flow hedges (see Note 32.1 to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023).
Other provisions	▼ Euro 699 million (-17.8%)	<ul style="list-style-type: none"> The changes in other provisions is largely down to the net effect of: <ul style="list-style-type: none"> The redemption of carbon dioxide (CO₂) emission allowances and guarantees of origin for 2022 in the amount of Euro 945 million, partially offset by the provision to cover the cost of CO₂ emission allowances and guarantees of origin in the amount of Euro 492 million. The updating of estimated costs of dismantling the facilities forming part of property, plant and equipment, which reduced the provision by Euro 118 million. The reduction by Euro 78 million of provisions for workforce restructuring plans, largely as a result of the payment of provisions (Euro 98 million) and the updating of such provisions (Euro 20 million).

12.2. Financial management

12.2.1. Financial position

The financial markets continued to feel the effects of the interest rate hikes carried out by the main central banks in the first half of the year, exacerbated by the financial turmoil in March following the failure of Silicon Valley Bank, the technical recession in Germany and the US debt ceiling negotiations in May.

On the inflation front, there was a broad slowdown in the headline rate, although core inflation remains persistently high.

Main indicators

The following table shows the performance of various key financial indicators in the first half of 2023:

	30 June 2023	31 December 2022	Difference	Chg. %
Closing exchange rate (Euro/US Dollar) ⁽¹⁾	1.0910	1.0673	0.0237	2.2
Long-term Euro interest rate (10-Year Swap) (%) ⁽¹⁾	3.01	3.20	(0.19)	(6.1)
Short-term Euro interest rate (3-month Euribor) (%) ⁽¹⁾	3.58	2.13	1.45	67.9
Long-term US dollar interest rate (USD 10-Year SOFR) (%) ⁽¹⁾	3.58	3.84 ⁽⁴⁾	(0.26)	(6.8)
Short-term US dollar interest rate (3-Month SOFR) (%) ⁽¹⁾	5.27	4.77 ⁽⁵⁾	0.50	10.5
German 10-Year bond (%) ⁽¹⁾	2.39	2.57	(0.18)	(7.0)
German 30-Year bond (%) ⁽¹⁾	2.38	2.53	(0.15)	(5.8)
10-Year Spanish bond (%) ⁽¹⁾	3.38	3.65	(0.27)	(7.4)
Risk premium for Spain (bp) ⁽¹⁾⁽²⁾	100	108	-8	(7.4)
Risk premium for Italy (bp) ⁽¹⁾⁽²⁾	168	213	-45	(21.1)
Risk premium for Portugal (bp) ⁽¹⁾⁽²⁾	73	101	-28	(27.7)
European Central Bank (ECB) reference rates (%) ⁽¹⁾	4.00	2.50	1.50	60.0
European Central Bank (ECB) deposit facility rate (%) ⁽¹⁾⁽³⁾	3.50	2.00	1.50	75.0
US Federal Reserve reference rates (%) ⁽¹⁾	5.00 - 5.25	4.25 - 4.50	0.75	16.67

⁽¹⁾ Source: Bloomberg.

⁽²⁾ Spread against the German 10-year bond.

⁽³⁾ Fee that the European Central Bank (ECB) charges banks for their deposits.

⁽⁴⁾ 10-year USD Swap.

⁽⁵⁾ 3-month USD Libor.

bp=basis points.

12.2.2. Borrowings

Gross and net financial debt

At 30 June 2023, Endesa's net financial debt amounted to Euro 10,597 million, down Euro 272 million (-2.5%) compared to 31 December 2022.

The reconciliation of Endesa's gross and net financial debt at 30 June 2023 and 31 December 2022 is as follows:

Millions of Euro

	Notes ⁽¹⁾	Reconciliation of borrowings			
		30 June 2023	31 December 2022	Difference	Chg. %
Non-current borrowings	37.3	13,151	11,704	1,447	12.4
Current financial debt	37.3	1,314	6,784	(5,470)	(80.6)
Gross financial debt		14,465	18,488	(4,023)	(21.8)
Debt derivatives recognised as financial assets		81	87	(6)	(6.9)
Cash and cash equivalents	30	(697)	(871)	174	(20.0)
Debt derivatives recognised as assets		(104)	(111)	7	(6.3)
Financial guarantees recognised as assets	25.1 and 27	(3,148)	(6,724)	3,576	(53.2)
Net financial debt		10,597	10,869	(272)	(2.5)

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

When analysing the changes in gross financial debt, the following effect should be taken into account:

Gross financial debt	Change
Financial guarantees recognised as assets	▼ Euro 3,576 million (-53.2%)

- In the first half of 2023, there was a decrease in financial deposits tied up as a result of transactions in organised markets in which Endesa arranges its derivative financial instruments, given that the liquidity requirements generated by the hedging portfolio in these markets have fallen owing to the gradual rotation of positions and the decrease in the prices of energy commodities, mainly gas, which has effectively reduced the level of financing needed to meet the costs of those deposits.

Structure

The structure of Endesa's gross financial debt at 30 June 2023 and 31 December 2022 is as follows:

Millions of Euro

	Structure of Gross Financial Debt			
	30 June 2023	31 December 2022	Difference	Chg. (%)
Euro	14,305	18,307	(4,002)	(21.9)
US dollar (USD)	160	181	(21)	(11.6)
TOTAL	14,465	18,488	(4,023)	(21.8)
Fixed interest rate	9,582	7,190	2,392	33.3
Floating interest rate	4,883	11,298	(6,415)	(56.8)
TOTAL	14,465	18,488	(4,023)	(21.8)
Sustainable financing (%) ⁽¹⁾	64	64	–	–
Average life (no. of years) ⁽¹⁾	3.8	3.2	–	–
Average cost (%) ⁽¹⁾	3.0	1.4	–	–

⁽¹⁾ See definition in Section 9 of this Consolidated Management Report.

The firm conviction of central banks to try to control inflation by raising interest rates has led the European Central Bank (ECB) to raise its intervention rate four times since January, bringing it to 4% compared to 2.5% at the end of 2022. This directly affects the portion of Endesa's debt contracted at variable interest rates and, as a result, the average rate on the company's debt has risen from 1.4% in 2022 to 3.0% at the end of the first half of 2023. The percentage of debt contracted at a fixed interest rate or with a derivative in this respect is not affected by changes in interest rates.

At 30 June 2023, gross financial debt subject to fixed interest rates accounted for 66%, while the remaining 34% was subject to floating rates. At this date, 99% of the Company's gross financial debt was denominated in euro. Information concerning Endesa's financial debt is disclosed in Note 37.3 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

12.3. Capital management

In the first half of 2023, Endesa followed the same capital management policy as that described in Note 35.1.12 to the Consolidated Financial Statements for the year ended 31 December 2022.

At the date on which this Consolidated Management Report was approved, Endesa, S.A. had no commitments to raise funds through its own sources of financing.

12.3.1. Share capital

Information on Endesa's share capital is disclosed in Note 32.1 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.



12.3.2. Leverage

Consolidated leverage is an indicator used to monitor financial position. This ratio was as follows at 30 June 2023 and 31 December 2022:

Millions of Euro

	Notes ⁽¹⁾	Leverage		Chg. (%)
		30 June 2023	31 December 2022	
Net financial debt:		10,597	10,869	(2.5)
Non-current borrowings	37.3	13,151	11,704	12.4
Current financial debt	37.3	1,314	6,784	(80.6)
Debt derivatives recognised as financial assets		81	87	(6.9)
Cash and cash equivalents	30	(697)	(871)	(20.0)
Debt derivatives recognised as assets		(104)	(111)	(6.3)
Financial guarantees recognised as assets	25.1 and 27	(3,148)	(6,724)	(53.2)
Equity:	32	6,416	5,758	11.4
Of the Parent	32.1	6,231	5,557	12.1
Of non-controlling interests	32.2	185	201	(8.0)
Leverage (%)⁽²⁾		165.17	188.76	NA

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

⁽²⁾ See the definition provided in Section 9 of this Consolidated Management Report.

12.3.3. Financial indicators

Financial indicators ⁽¹⁾	30 June 2023	31 December 2022
Liquidity ratio	1.08	0.96
Solvency ratio	1.03	0.97
Debt ratio (%)	62.29	65.37
Debt coverage ratio	1.81	1.95
Net financial debt / Fixed assets (%)	43.07	44.37
Net financial debt / Funds from operations	2.10 ⁽²⁾	2.35
(Funds from Operations + Interest expenses) / Interest expenses ⁽³⁾	11.02	22.54

⁽¹⁾ See definition provided in Section 9 of this Consolidated Management Report.

⁽²⁾ Funds from Operations for the last 12 months.

⁽³⁾ Relating to the periods January-June 2023 and January-June 2022, respectively.

12.4. Management of credit ratings

Endesa's credit ratings are as follows:

	Credit rating							
	30 June 2023 ⁽¹⁾				31 December 2022 ⁽¹⁾			
	Long-term	Short-term	Outlook	Date of last report	Long-term	Short-term	Outlook	
Standard & Poor's	BBB+	A-2	Negative	14 December 2022	BBB+	A-2	Negative	
Moody's	Baa1	P-2	Negative	21 September 2022	Baa1	P-2	Negative	
Fitch	BBB+	F2	Stable	20 February 2023	BBB+	F2	Stable	

⁽¹⁾ At the respective dates of approval of the Consolidated Management Report.

Endesa's credit rating is affected by the rating of its parent company, Enel, according to the methods employed by the rating agencies. At the date of authorisation for issue of this Consolidated Management Report, Endesa had an «investment grade» rating from the three main rating agencies.

Endesa works to maintain its investment grade credit rating, to be able to efficiently access money markets and bank financing, and to obtain preferential terms from its main suppliers.

12.5. Cash flow

At 30 June 2023 and 31 December 2022, cash and cash equivalents were as follows (see Section 12.2.2 of this Consolidated Management Report):

Millions of Euro

	Notes ⁽¹⁾	Cash and cash equivalents			
		30 June 2023	31 December 2022	Difference	Chg. (%)
Cash in hand and at banks		697	871	(174)	(20.0)
Other cash equivalents		—	—	—	N/A
TOTAL	³⁰	697	871	(174)	(20.0)

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

Endesa's net cash flows in the first half of 2023, classified by activities (operating, investing and financing), were as follows:

Millions of Euro

	Notes ⁽¹⁾	Statement of cash flows			
		January–June 2023	January–June 2022	Difference	Chg. (%)
Net cash flows from operating activities	40.1	1,615	(169)	1,784	(1,055.6)
Net cash flows from investing activities	40.2	2,312	(3,724)	6,036	(162.1)
Net cash flows from financing activities	40.3	(4,101)	3,389	(7,490)	(221.0)

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

In the first half of 2023, net cash flows from operating activities (Euro 1,615 million) and those obtained from investing activities (Euro 2,312 million) enabled Endesa to honour its net payments from financing activities (Euro 4,101 million).

Information on Endesa's Consolidated Statement of Cash Flows is disclosed in Note 40 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

12.6. Investments

In the first half of 2023, Endesa's gross investments in property, plant and equipment and intangible assets amounted to Euro 1,104 million, broken down as follows:

		Investments			
		Notes ⁽¹⁾	January-June 2023	January-June 2022	Chg. (%)
Generation and supply			497	361	37.7
Conventional generation ⁽²⁾			106	84	26.2
Renewable generation			375	270	38.9
Energy supply			2	—	N/A
Marketing of other products and services			14	7	100.0
Distribution			403	356	13.2
Structure, services and others ⁽³⁾			9	3	200.0
TOTAL PP&E ^{(4) (5)}		18	909	720	26.3
Generation and supply			174	196	(11.2)
Conventional generation			7	8	(12.5)
Renewable generation			48	39	23.1
Energy supply			99	129	(23.3)
Marketing of other products and services			20	20	-
Distribution			18	33	(45.5)
Structure, services and others ⁽³⁾			3	6	(50.0)
TOTAL INTANGIBLE ASSETS ⁽⁵⁾		20	195	235	(17.0)
TOTAL GROSS INVESTMENTS ⁽⁶⁾			1,104	955	15.6
Capital grants and facilities sold			(71)	(86)	(17.4)
Generation and Supply			(1)	—	N/A
Conventional generation			(1)	—	N/A
Distribution			(70)	(86)	(18.6)
TOTAL NET INVESTMENTS ⁽⁶⁾			1,033	869	18.9

⁽¹⁾ Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

⁽²⁾ In the first half of 2023 and 2022, it includes gross capex in the Non-mainland Territories ("TNP") amounting to Euro 17 million and Euro 19 million, respectively.

⁽³⁾ Structure, Services and Adjustments.

⁽⁴⁾ In the first half of 2023, it includes additions for rights of use amounting to Euro 59 million (Euro 20 million in the first half of 2022).

⁽⁵⁾ In the first half of 2023, it includes Euro 1,080 million (97.8%) and Euro 24 million (2.2%) relating to gross investments for low-carbon products, services and technologies and in coal/fuel and combined cycle power plants, respectively (Euro 932 million (97.6%) and Euro 23 million (2.4%) in the first half of 2022) (see definition in Section 9 of this Consolidated Management Report).

⁽⁶⁾ See definition in Section 9 of this Consolidated Management Report.

Information on the main investments is disclosed of Notes 18.1 and 20.1 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

13. Segment information




13.1. Basis of segmentation

Segment information, including the basis for segmentation and segment information by geographic area, is disclosed in Explanatory Note 7 to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

13.2. Segment information

13.2.1. Segment information: Consolidated Income Statement for the periods January–June 2023 and 2022

Millions of Euro

	January–June 2023		
	Generation and Supply		
	Conventional generation ⁽¹⁾	Renewable generation	Energy supply
			
REVENUE	5,627⁽²⁾	629	10,470
Revenue with third parties	1,514	189	10,046
Revenue from transactions between segments	4,113	440	424
PROCUREMENTS AND SERVICES	(3,039)	(63)	(9,584)
INCOME AND EXPENSES FROM ENERGY COMMODITY DERIVATIVES	(1,183)	8	(331)
CONTRIBUTION MARGIN⁽³⁾	1,405	574	555⁽⁴⁾
FIXED OPERATING COSTS AND OTHER GAINS AND LOSSES	(403)	(134)	(258)
GROSS OPERATING INCOME (EBITDA)⁽⁵⁾⁽⁶⁾	1,002	440	297
Depreciation and amortisation, and impairment losses on non-financial assets	(262)	(127)	(79)
Depreciation and amortisation	(262)	(126)	(79)
Provision for impairment of non-financial assets	–	(1)	–
Reversal of impairment of non-financial assets	–	–	–
Impairment losses on financial assets.	1	–	(102)
Provision for impairment of financial assets	(1)	–	(160)
Reversal of impairment of financial assets	2	–	58
OPERATING INCOME (EBIT)⁽³⁾	741	313	116
Net profit/(loss) of companies accounted for using the equity method	5	3	1

⁽¹⁾ Includes the Contribution Margin, Gross Operating Income (EBITDA) and Operating Income (EBIT) from power generation in Non-mainland Territories ("TNP") amounting to Euro 160 million, positive, Euro 18 million, positive, and Euro 24 million, negative, respectively.





⁽²⁾ Includes Euro 2,245 million (17.1% of total revenues) relating to generation from emitting technologies and Euro 712 million (5.4% of total revenues) relating to nuclear generation.

⁽³⁾ See definition provided in Section 9 of this Consolidated Management Report.

⁽⁴⁾ Includes the Contribution Margin from gas for marketing of Euro 31 million.




⁽⁵⁾ EBITDA from low carbon products, services and technologies amounted to Euro 1,712 million (see definition provided in Section 9 of this Consolidated Management Report).

⁽⁶⁾ Includes Euro 232 million, negative, from nuclear generation and Euro 6 million, negative, from gas for marketing.

January–June 2023							
Generation and Supply			Total	Distribution	Structure and Services	Consolidated adjustments and eliminations	Total
Marketing of other products and services	Generation and supply adjustments and eliminations						
							
190	(4,964)	11,952	1,261	233	(325)	13,121	
187	–	11,936	1,180	5	–	13,121	
3	(4,964)	16	81	228	(325)	–	
(110)	4,948	(7,848)	(77)	(209)	77	(8,057)	
–	–	(1,506)	–	–	–	(1,506)	
80	(16)	2,598	1,184	24	(248)	3,558	
(44)	16	(823)	(282)	(225)	248	(1,082)	
36	–	1,775⁽⁶⁾	902	(201)	–	2,476	
(16)	–	(484)	(346)	(23)	–	(853)	
(16)	–	(483)	(346)	(23)	–	(852)	
–	–	(1)	–	–	–	(1)	
–	–	–	–	–	–	–	
(5)	–	(106)	4	–	–	(102)	
(7)	–	(168)	(36)	–	–	(204)	
2	–	62	40	–	–	102	
15	–	1,185	560	(224)	–	1,521	
(2)	–	7	3	–	–	10	

January–June 2022

Generation and Supply

	Conventional generation ⁽¹⁾	Renewable generation	Energy supply
			
REVENUE	6,250⁽²⁾	501	12,861
Revenue with third parties	1,801	290	11,451
Revenue from transactions between segments	4,449	211	1,410
PROCUREMENTS AND SERVICES	(4,098)	(92)	(12,867)
INCOME AND EXPENSES FROM ENERGY COMMODITY DERIVATIVES	(983)	(24)	83
CONTRIBUTION MARGIN⁽³⁾	1,169	385	77⁽⁴⁾
FIXED OPERATING COSTS AND OTHER GAINS AND LOSSES	(381)	(125)	(254)
GROSS OPERATING INCOME (EBITDA)⁽³⁾⁽⁵⁾	788	260	(177)
Depreciation and amortisation, and impairment losses on non-financial assets	(257)	(111)	(55)
Depreciation and amortisation	(255)	(110)	(55)
Provision for impairment of non-financial assets	(2)	(1)	–
Reversal of impairment of non-financial assets	–	–	–
Impairment losses on financial assets.	(2)	(11)	(54)
Provision for impairment of financial assets	(5)	(11)	(116)
Reversal of impairment of financial assets	3	–	62
OPERATING INCOME (EBIT)⁽³⁾	529	138	(286)
Net profit/(loss) of companies accounted for using the equity method	4	10	(2)

⁽¹⁾ Includes the Contribution Margin, Gross Operating Income (EBITDA), Operating Income (EBIT) from Non-mainland Territories ("TNP") generation of Euro 297 million, Euro 182 million and Euro 136 million, respectively.

⁽²⁾ Includes Euro 3,511 million (23.6% of total revenues) relating to generation from emitting technologies and Euro 824 million (5.6% of total revenues) relating to nuclear generation.

⁽³⁾ See definition provided in Section 9 of this Consolidated Management Report.

⁽⁴⁾ Includes the Contribution Margin from gas for marketing of Euro 34 million (negative).

⁽⁵⁾ EBITDA from low carbon products, services and technologies amounted to Euro 1,669 million (see definition provided in Section 9 of this Consolidated Management Report).

⁽⁶⁾ Includes Euro 192 million, positive, from nuclear generation and Euro 77 million, negative, from gas for marketing.

January–June 2022

Generation and Supply							
Marketing of other products and services	Generation and supply adjustments and eliminations	Total	Distribution	Structure and Services	Consolidated adjustments and eliminations	Total	
158	(6,051)	13,719	1,222	217	(307)	14,851	
157	–	13,699	1,148	4	–	14,851	
1	(6,051)	20	74	213	(307)	–	
(77)	6,013	(11,121)	(75)	170	70	(10,956)	
–	–	(924)	–	1	–	(923)	
81	(38)	1,674	1,147	388	(237)	2,972	
194	38	(528)	(273)	(220)	237	(784)	
275	–	1,146 ⁽⁶⁾	874	168	–	2,188	
(16)	–	(439)	(326)	(26)	–	(791)	
(16)	–	(436)	(326)	(26)	–	(788)	
–	–	(3)	–	–	–	(3)	
–	–	–	–	–	–	–	
(11)	–	(78)	(3)	–	–	(81)	
(12)	–	(144)	(47)	–	–	(191)	
1	–	66	44	–	–	110	
248	–	629	545	142	–	1,316	
–	–	12	1	–	–	13	

13.3. Generation and Supply





Analysis of results

The electricity sector managed to stabilise in the first half of 2023, due, among other factors, to the steady decrease in the price of gas, despite the geopolitical tensions caused by the ongoing conflict between Russia and Ukraine and the inflationary environment resulting from the measures adopted by Europe to mitigate the effects of the conflict by ensuring supply and diversification during the past winter, when temperatures were milder than the previous one and due to the lower demand for energy saving policies. This decrease in the price of gas led to a reduction in electricity prices, which was also driven by increased production of energy from renewable sources in the period. Additionally, the European Commission has presented its proposal to reform the electricity market of the European Union (EU), although no major changes are envisaged (see Sections 16 and 19 of this Consolidated Management Report).

Amid this environment, and in line with Endesa's joint management approach to the integrated margin of electricity generation and supply, it is worth noting that a new inter-company contract has been in effect between the two businesses since 1 January 2022, whereby Endesa's supply company will have access to hydroelectric, nuclear and renewable energy production subject to the reduction regime determined by Article 5 of Royal Decree Law 17/2021, of 14 September, at a fixed price of Euro 65/MWh. Under the terms thus stipulated, such fixed price would be applicable to all energy transmitted with delivery during 2022 and 2023. The energy needs of the supply company not covered under this agreement are subject to the market price.

Key figures for the first half of 2023 and the change therein with respect to the same period of the previous year are as follows:

Millions of Euro



Key figures	January–June 2023	January–June 2022	Difference	Chg. (%)	
					<p>The change in the margin is the result, among other aspects, of:</p> <ul style="list-style-type: none"> • The decrease in energy purchase costs incurred (Euro 2,811 million) due to the fall in the arithmetic average price in the wholesale electricity market (88.3 €/MWh; -57.1%) and the average price of gas (44.6€/MWh; -55.0%), respectively. Fuel consumption expenses were also down due to the evolution of commodities and the lower production with combined cycles during the period (Euro 363 million). • Lower transmission costs (Euro 439 million) due, mainly, to the reduction in the part of the tariffs relating to electricity charges, partially offset by the negligible change in access tariffs to the electricity transmission and distribution networks. • Lower electricity sales (Euro 2,171 million), mainly as a result of changes in the wholesale electricity market price, though partially offset by an increase in gas sales (Euro 260 million). • Change of Euro 583 million in "Income and expenses from commodity derivatives", due to changes in the valuation and settlement of electricity and gas derivatives stemming from the price volatility seen within the energy markets.
   					<ul style="list-style-type: none"> • Includes higher personnel costs (Euro 12 million) due, among other factors, to the effect of inflation and higher social security contributions. • Includes the increase in expenditure on maintenance of fuel plants in Non-mainland Territories ("TNP") (Euro 10 million). • Includes the higher property tax ("IBI") expense following an increase in wind farms and photovoltaic plants in operation, in line with the growth in renewable generation capacity envisioned in Endesa's Strategic Plan (Euro 4 million). • In 2022, it included the gross profit generated by the sale of 51% of the stake held in Endesa X Way, S.L. and the resulting loss of control over this company, for a total amount of Euro 238 million.
Contribution margin	2,598	1,674	924	+55.2	
Gross operating income (EBITDA)	1,775	1,146	629	+54.9	
Operating Income (EBIT)	1,185	629	556	+88.4	<ul style="list-style-type: none"> • Includes the increase in depreciation and amortisation expense (Euro 47 million), mainly as a result of the increased investment in renewable electricity generation facilities and increased capitalisation of the incremental costs incurred in obtaining contracts with customers. • Reflects the higher net provisioning (Euro 28 million), due, among other aspects, to a decline in payments recovered from residential and Business to Business (B2B) customer.

13.4. Distribution

Analysis of results

Key figures for the first half of 2023 and the change therein with respect to the same period of the previous year are as follows:

Millions of Euro



Key figures	January–June 2023	January–June 2022	Difference	Chg. (%)	
 Contribution margin	1,184	1,147	37	+3.2	<ul style="list-style-type: none"> It mainly includes the regulated revenue from the distribution activity. In the period January-June 2022 included lower revenues due to the recognition of re-settlements recorded in 2021 (Euro 29 million).
 Gross operating income (EBITDA)	902	874	28	+3.2	<ul style="list-style-type: none"> Including higher personnel costs (Euro 7 million) due to, among others, the effect of inflation and higher social security contributions. In the period January-June 2022 included the reversal of certain disciplinary proceedings (Euro 4 million).
Operating Income (EBIT)	560	545	15	+2.8	<ul style="list-style-type: none"> Includes an increase in depreciation and amortisation costs (Euro 20 million), mainly as a result of investments made in electricity distribution systems and installations.

13.5. Structure and others

Analysis of results

Key figures for the first half of 2023 and the change therein with respect to the same period of the previous year are as follows:

Millions of Euro

Key figures	January–June 2023	January–June 2022	Difference	Chg. (%)	
 Contribution margin	(224)	151	(375)	(248.3)	<ul style="list-style-type: none"> Includes the recognition of the expense associated with the temporary energy levy ushered in by Law 38/2022, of 27 December 2022 (Euro 208 million). In the first half of 2022, this showed the revenue derived from the Supreme Court ruling confirming the inapplicability of the Social Bonus ("Bono Social") financing scheme (Euro 152 million) (see Note 44 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023).
 Gross operating income (EBITDA)	(201)	168	(369)	(219.6)	<ul style="list-style-type: none"> Includes an increase in expenses from systems and telecommunications (ICT) activity, in accordance with the Company's digitalisation strategy (Euro 10 million).
Operating Income (EBIT)	(224)	142	(366)	(257.7)	<ul style="list-style-type: none"> Includes a reduction in the amortisation of software (Euro 3 million).

14. Innovation and digitalisation

Endesa views innovation and digitalisation as strategic elements in tackling the present and future challenges across all areas of the Company. Endesa is undergoing a digital transformation that affects its assets, its employee, its customers and its suppliers. The Company has made major investments in a bid to improve platforms, processes, systems, tools and ways of working. It always pays the utmost attention to Cybersecurity, data protection and, naturally, raising the bar when it comes to security, business continuity and operational efficiency.

New technologies have led to a considerable increase in data capture and are impacting many areas and processes of the company. Artificial intelligence is already being applied to specific techniques such as speech analytics, machine learning, generative artificial intelligence, robotic process automation (RPA), predictive modelling improvements for physical asset maintenance, and advanced image recognition. Aside from new technologies to reduce energy storage costs, new robotics solutions, digital twins, various projects to lower the environmental impact, and new approaches to

work through new methodologies and teleworking are all very much present within the company and affect the daily lives of all workers, who can now use highly collaborative tools suited to the new reality of the business. Data management is an essential pillar of business management and, for Endesa, plays a key role in the decision-making process, both for the preparation of in-depth analysis and for discovering operational improvements within the Company's various lines of business.

Digitalisation is one of the key elements of the 2023–2025 Strategic Plan as a mainstay of business development. The digital strategy is geared towards maximising margins and reducing operating costs, with a view to enhanced efficiency in order to support the energy transition, thus allowing new uses of energy and new ways of managing it by making it increasingly accessible to more people. Information on Endesa's innovation model and its main areas of application is provided in Section 13.1 of the Consolidated Management Report for the year ended 31 December 2022.

14.1. Patents and licences

In the first half of 2023, Endesa renewed and strengthened its commitment to the development and enhancement of its IP assets as a competitive edge for the Company.

Endesa owns various patents registered in Spain and/or the European Union and/or in other non-European countries. In some cases, patents may be transferred to

Enel Group companies with a licence for their use and, occasionally, they are sub-licensed to third parties. At 30 June 2023, Endesa had 10 patents in Spain.

Information on patents and licences is described in Section 13.2 of the Consolidated Management Report for the year ended 31 December 2022.

14.2. Research, development and innovation (R+D+i) activities

The constant quest to improve processes and the growing concern for a Just Transition among employees, customers, suppliers and governments is driving major transformations in the energy sector, which will accelerate in the future. Endesa is aware of the need to meet efficiency and emissions reduction targets, which poses an additional challenge for the company.

To meet this challenge and move towards a new, more sustainable energy model, based on the efficient electrification of energy demand through the use of new

technologies and new business models, Research, Development and Innovation (R&D&I) activities are a key and essential tool. These activities are coordinated with the rest of the Enel Group and joint research activities are defined in areas of common interest and in the markets where both operate. Information on the gross direct cost of R+D+i activity is provided in Section 13.4 of the Consolidated Management Report for the year ended 31 December 2022.

Endesa undertakes technology products with the aim of generating value, fostering a culture of innovation and creating competitive advantages in terms of sustainability across all lines of business. Further information on these projects can be found in Section 13.5 of the Consolidated Management Report for the year ended 31 December 2022.

Key performance indicators (KPIs) relating to the innovation

Innovation indicators were as follows in the first half of 2023 and 2022:

Number	January-June 2023 ⁽¹⁾	January-June 2022 ⁽¹⁾
Pilot activities to test innovative solutions	24	8
Activities in scaling phase	192	45

⁽¹⁾ Provisional data pending certification by the accredited entity and mandatory Binding Reasoned Report..



15. People

15.1. People management and development at Endesa

15.1.1. Workforce

At 30 June 2023, Endesa had a total headcount of 9,271 employees, up 0.1% on 31 December 2022.

Endesa's average workforce in the first half of 2023 was 9,099 employees (-0.7%).

Further information on Endesa's workforce can be found in Note 43 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

Key performance indicators (KPIs) relating to the workforce

Key workforce indicators were as follows in the first half of 2023 and 2022:

Key performance indicators (KPIs)	Description	January–June 2023			January–June 2022		
		Women		Total	Men	Women	Total
Hiring rate (%)	Percentage of new hires to final workforce	3.3	3.1	3.2	3.2	4.8	3.6
Employee turnover (%)	Percentage of contracts ending to final workforce	2.5	1.3	2.2	3.5	2.6	3.3

Key performance indicators (KPIs)	Description	January–June 2023			January–June 2022		
		Women		Total	Men	Women	Total
Persons Hired	Number of persons hired	224	77	301	217	115	332
Contract terminations	Number of contract terminations	168	33	201	240	62	302

15.1.2. Training

As part of its enduring commitment to employees, Endesa focuses on their training and offers a wide range of learning activities to provide and improve the technical qualifications they need to carry out their duties and grow personally. In the first half of 2023, the average number of hours of training delivered per employee was 23.87 (15.31 hours per employee in the first half of 2022).

During the period January–June 2023, the percentage of employees trained in anti-corruption policies and procedures was 16.1% (24.8% in the period January–June 2022).

The information relating to training is detailed in Section 14.6 of the Consolidated Management Report for the year ended 31 December 2022.

15.1.3. Diversity and equal opportunity

In accordance with its Policy on Diversity and Inclusion, Endesa refuses to tolerate all forms of discrimination and has pledged to promote and guarantee diversity, inclusion and equal opportunities in all dimensions covered by the policy (gender, age, disability and nationality).

The Company promotes gender equality in all areas of the Company, focusing on internal and external targets related to gender as envisioned in the 2023–2025 Strategic Sustainability Plan.

	30 June 2023	31 December 2022
Increase the presence of women in positions of responsibility (% of women)		
Management positions	21.3	18.9
Middle management positions	35.4	34.9

Endesa also works to recognise and manage generational differences by ensuring integration, motivation and the transfer of knowledge.

Moreover, Endesa carries out initiatives to foster the integration of people with disabilities by working alongside foundations specialising in this area.

Information regarding diversity and equal opportunities is described in Section 14.3 of the Consolidated Management Report for the year ended 31 December 2022.

KPIs related to the pay gap are described in Section 14.7 of the Consolidated Management Report for the year ended 31 December 2022. In the period January-June 2023 the age-weighted average of the average fixed, variable and benefits pay gap is 6.1%.

15.2. Occupational Health and Safety

Endesa views Occupational Health and Safety (OHS) as a priority and a key value to be upheld at all times for everyone who works for the Company, without distinction between in-house staff and the workers of its partners and collaborators. This goal is built into Endesa's strategy in the form of the Occupational Health and Safety (OHS) Policy, which is in place at all Endesa Group companies.

Key performance indicators (KPIs) related to Occupational Health and Safety (OHS)

OHS indicators were as follows in the first half of 2023 and 2022:

Key performance indicators (KPIs)	January-June 2023		January-June 2022	
	In-house personnel	Subcontracted personnel	In-house personnel	Subcontracted personnel
Number of hours worked	7,507,170	24,199,064	7,594,136	19,509,114
Number of accidents ⁽¹⁾	2	10	–	6
Frequency rate ⁽²⁾	0.25	0.41	–	0.31
Number of serious accidents ⁽³⁾	–	2	–	–
Frequency of serious accidents rate	–	0.08	–	–
Number of fatal accidents	–	–	–	–
Frequency of fatal accidents rate	–	–	–	–
Number of accidents involving at least one lost day (LTI)	2	10	1	7
Frequency rate for accidents involving at least one lost day	0.25	0.41	0.13	0.36
Severity ratio ⁽⁴⁾	–	0.09	–	0.09

⁽¹⁾ Includes accidents eligible for calculation under Enel Group Policy 106.

⁽²⁾ Frequency rate = (Number of accidents or Number of serious accidents or Number of fatal accidents / Number of hours worked) x 10⁶.

⁽³⁾ Includes: accidents which, at 30 June 2023 and 2022, resulted in more than six months off work; accidents which, at 30 June 2023 and 2022, were ongoing and considered serious (initial prognosis >30 days); accidents classified as "Life Changing Accidents" (LCA), irrespective of the resulting number of days off work.

⁽⁴⁾ Severity rate = (Number of lost days / Number of hours worked) x 10³.

The information relating to Occupational Health and Safety (OHS) is detailed in Section 14.2 of the Consolidated Management Report for the year ended 31 December 2022.

15.3. Responsible relations with local communities

Endesa is committed to the communities in which it operates. The Company fosters initiatives supported, managed and/or subsidised voluntarily that meet the needs of the environment and generate benefits for the society in which it operates, beyond the normal scope of its business, or that promote efficiency or improvements in the company's internal management.

The categories of community-oriented projects are aligned with the Sustainable Development Goals (SDGs) of the United Nations, with three of them (4, 7 and 8), corresponding to "Education", "Access to energy" and "Socioeconomic implementation" respectively, having a

public commitment to achieve them. In total, there are four groups of projects with an impact on communities. There is also the category of "Community Support".

Key performance indicators (KPIs) related to socio-economic activities

The number of beneficiaries in the categories of community-focused sustainability projects in the first half of 2023 and 2022 is as follows:

	Number of beneficiaries	
	January–June 2023	January–June 2022
Access to energy ⁽¹⁾	138,291	192,496
Socio-economic development ⁽²⁾	12,324	64,097
Education ⁽³⁾	129,116	65,649
Support for local communities ⁽⁴⁾	328,425	371,482

⁽¹⁾ Includes projects to minimise economic barriers preventing access to energy; promotion of technical training in the field of energy; promotion of energy efficiency; awareness-raising in the use of energy; and development of technology and infrastructures to facilitate access to energy.

⁽²⁾ Includes projects to promote employment and generate economic activity in the community, the transfer of knowledge and training and support for local business activities.

⁽³⁾ Includes projects supporting training activities involving students, families, schools and universities, and fostering academic training, in general, not related to energy, through grants, professorships, etc.

⁽⁴⁾ Includes projects aimed at improving the well-being of people and their communities, by helping to protect their cultural identity, preserve their heritage, improve the environment and local biodiversity, promote sport, encourage healthy habits and help to meet basic needs.

Information on Endesa's responsible relationship with communities is described in Section 14.9 of the Consolidated Management Report for the year ended 31 December 2022.

15.4. Sustainable supply chain

Endesa complies with sustainability best practices throughout the value chain. To promote responsible management in the supply chain, Endesa has a comprehensive procurement process in place that assigns a rating to each and every supplier (assessing compliance with economic, legal, environmental, social and ethical aspects), and not just for suppliers it intends to engage, but also those invited to take part in tenders.

During supplier selection, Endesa includes certain sustainability indicators ("k" for sustainability) when evaluating bids. Moreover, all supplier contracts include specific clauses in the general terms and conditions insisting that the supplier respects human rights, people's safety, the environment and anticorruption.

To manage suppliers and supplier contracts in accordance with the established requirements, Endesa monitors

supplier performance both during the contract and following its completion (i.e. Consequence Management).

The information recorded in the system is used to assess the supplier's performance in six categories (Safety, Quality, Timeliness, Environment, Human Rights and Ethics, Innovation and Collaboration) and a Supplier Performance Indicator (SPI) is calculated, based on the weighted average of the scores obtained for each category, according to percentages that reflect the risk associated with the individual category in the group of products or services being evaluated.

Based on the score obtained, a consequence management process for the supplier or the contract is initiated. This may include actions to promote excellent behaviour.

Key performance indicators (KPIs) relating to the sustainable supply chain

In the first half of 2023 and 2022, the results of the indicators related to the Sustainable Supply Chain were as follows:

	Unit	January–June 2023	January–June 2022
Contractors	number	3,490	1,940
Full-time equivalent (FTE) contractors	number	25,594	22,644
Percentage of contractors certified in sustainability (ESG)	%	100	100
Percentage of supplies covered by carbon footprint (CFP) certification	%	70	29

Further information on Endesa's sustainable supply chain can be found in Section 14.10 of the Consolidated Management Report for the year ended 31 December 2022.

15.5. Circular economy

The firm commitment to the generation of energy from renewable sources, the development of a smart and flexible grid that facilitates the penetration of distributed generation, and the electrification of end uses describe Endesa's approach towards the decarbonisation of the economy and society. Recent studies show that the circular economy makes up nearly half of the worldwide effort to deliver on decarbonisation targets. Accordingly, the circular economy provides an opportunity for complementing the decarbonisation process and tackling current environmental concerns more effectively.

With this new approach, Endesa reassesses business across the value chain to implement the circular economy, by means of applying innovative thinking and considering both energy flow and materials, from the design and

procurement phases to end customers, including energy generation, and infrastructures and networks. All this is being applied with specific approaches by the Company's various units.

Collaboration with the ecosystem is also a key factor. Endesa is therefore looking to unlock synergies and build a symbiotic relationship with other sectors, such as construction and finance.

Further information on the circular activity in the value chain (suppliers, generation assets, infrastructure and customers) and Endesa's main actions within the circular economy can be found in Section 14.11 of the Consolidated Management Report for the year ended 31 December 2022.

16. Regulatory framework

Information on the regulatory framework can be found in Note 5 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

17. Further information

17.1. Stock market information

Share price performance

The changes in Endesa, S.A.'s share price and the main benchmark indexes in the first half of 2023 and 2022 are as follows:

Percentage (%)

Share price performance ⁽¹⁾	January–June 2023	January–June 2022
Endesa, S.A.	11.4	(10.9)
Ibex-35	16.6	(7.1)
EuroStoxx 50	16.0	(19.6)
EuroStoxx Utilities	9.1	(16.2)

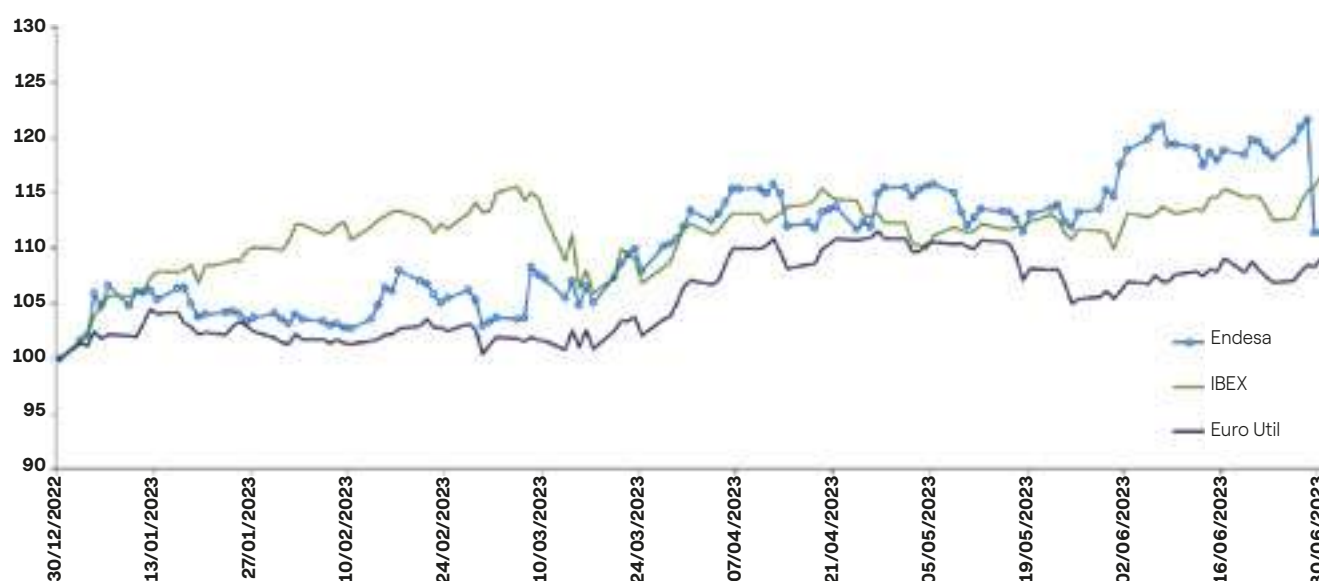
⁽¹⁾ Source: Madrid Stock Exchange.

Euro

Endesa share price ⁽¹⁾	January–June 2023	January–June 2022	Chg. (%)
Máximo	21.450	20.960	2.34
Mínimo	17.920	17.835	0.48
Media del Periodo	19.476	19.414	0.32
Cierre del Periodo	19.650	18.000	9.17

⁽¹⁾ Source: Madrid Stock Exchange.

Performance of the Endesa, S.A. share, the IBEX-35 and the EUROSTOXX Utilities index from January to June 2023



Source: Bloomberg.

Despite lingering fears of a global economic slowdown, the stock markets managed to close the first half of 2023 with a strong performance overall, after managing to recover during the second quarter from the banking crisis that erupted in March due to the relentless interest rate hikes carried out by central banks in a bid to control inflation.

The most significant gains were reported by indices with a more technological content, such as the US NASDAQ (+38.8%) or the Japanese NIKKEI (+27.2%). In Europe, gains were led by the Italian FTSE MIB index, up 19.1%, followed by the Spanish IBEX-35 index, up 16.6%, and the German DAX, up 16%. Meanwhile, the EUROSTOXX 50, which represents the 50 largest companies in the Eurozone in terms of stock market capitalisation, also ended the period up 16%. Posting more modest gains we had the British FTSE 100 index, gaining just 1.1%, and the US Dow Jones Industrial Average, up 2.9%.

The IBEX-35 ended the month of June at 9,593 points, its highest price in the last three years. This allowed it to return to the levels seen prior to the months and month of lockdown in response to the COVID-19 pandemic in 2020, and to record its best first half-year in 10 years, having gained more than 26% back in 2013.

The gains continued to be led by the tourism and retail sectors, where activity is rallying as the region shakes off the effects of the pandemic. Meanwhile, the renewable energies and real estate sectors were the main underperformers, as they are more affected by the current macroeconomic climate, with persistently high levels of inflation and interest

rates that hit 4% in Europe in June following the eighth straight hike at the hands of the European Central Bank (ECB).

In the specific case of renewable energies, the stock market correction occurred from the highs reached in 2022 and can be explained not only by the higher cost of financing and materials for the construction of parks and plants, but also by the uncertainty present within the market regarding the volatility of electricity prices and the likely course they will take, which could threaten the profitability of investments. Electricity stocks, on the other hand, benefited from their defensive profile in this environment and ended the half-year on a positive note.

Endesa shares, after deducting the dividend of Euro 1.5854 gross per share on 29 June 2023 and to be paid on 3 July 2023 (see Section 17.2 of this Consolidated Management Report), closed the first six months of the year up 11.4% to Euro 19.65 per share, after fluctuating between a low of Euro 17.92 on 2 January 2023 and a high of Euro 21.45 on 28 June 2023. Factoring in the additional dividend yield that shareholders will achieve with the dividend payment of 3 July 2023 –8.99% in respect to the closing value of 2022–, the total return they would have accumulated at the beginning of the second half of the year would reach 20.42%.

This performance in the first half of the year placed Endesa in seventh place out of the 19 companies that currently make up the European EUROSTOXX Utilities Index, which also posted a 9.1% rise in value.

Stock market information

Key stock market figures for Endesa, S.A. at 30 June 2023 and 31 December 2022 are as follows:

Stock market information		30 June 2023	31 December 2022	Chg. (%)
Market capitalisation ⁽¹⁾	Millions of Euro	20,804	18,671	11.4
Number of shares outstanding		1,058,752,117	1,058,752,117	–
Nominal share value	Euro	1.2	1.2	–
Cash ⁽²⁾	Millions of Euro	3,774	5,974	(36.8)
Continuous Market	Shares			
Trading volume ⁽³⁾		192,881,028	324,484,195	(40.6)
Average daily trading volume ⁽⁴⁾		1,506,883	1,262,584	19.3
Price to Earnings Ratio (PER) Ordinary ⁽¹⁾		8.18	7.79	–
Price to earnings ratio (PER) ⁽¹⁾		8.31	7.35	–
Price/book value ⁽¹⁾		3.34	3.36	–

⁽¹⁾ See definition provided in Section 9 of this Consolidated Management Report.

⁽²⁾ Cash = Sum of all the transactions performed on the shares during the reference period (Source: Madrid Stock Exchange).

⁽³⁾ Trading Volume = Total volume of Endesa, S.A. securities traded in the period (Source: Madrid Stock Exchange).

⁽⁴⁾ Average Daily Trading Volume = Arithmetic mean of stock in Endesa, S.A. traded per session during the period (Source: Madrid Stock Exchange).

17.2. Dividends

Shareholder remuneration policy

Information on the shareholder remuneration policy is disclosed in Section 19.2 of the Consolidated Management Report for the year ended 31 December 2022.

Approval was given at Endesa, S.A.'s General Shareholders' Meeting of 28 April 2023 to pay shareholders a total

dividend for a gross amount of Euro 1.5854 per share, for a total pay-out of Euro 1,678 million, which was ultimately paid on 3 July 2023.

Dividend per share

In accordance with the foregoing, details of Endesa, S.A.'s dividends per share are as follows:

		2022	2021	Chg. (%)
Share capital	Millions of Euro	1,270.5	1,270.5	–
Number of shares		1,058,752,117	1,058,752,117	–
Consolidated ordinary net income	Millions of Euro	2,398	1,902	26.1
Consolidated net income	Millions of Euro	2,541	1,435	77.1
Individual net income	Millions of Euro	697	581	20.0
Ordinary net earnings per share ⁽¹⁾	Euro	2.2649	1.7965	26.1
Net earnings per share ⁽¹⁾	Euro	2.400	1.355	77.1
Gross dividend per share	Euro	1.5854 ⁽²⁾	1.4372 ⁽³⁾	–
Consolidated ordinary pay-out ⁽¹⁾	%	70.0	80.0	–
Consolidated pay-out ⁽¹⁾	%	66.1	106.0	–
Individual pay-out ⁽¹⁾	%	240.8	261.9	–

⁽¹⁾ See definition in Section 9 of this Consolidated Management Report.

⁽²⁾ Dividend equal to Euro 1.5854 gross per share paid on 3 July 2023.

⁽³⁾ Interim dividend equal to Euro 0.5 gross per share paid on 3 January 2022 plus final dividend equal to Euro 0.9372 gross per share paid on 1 July 2022.

17.3. Information on related-party transactions

Information concerning related-party transactions is included in Note 41 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

17.4. Contingent assets and liabilities

Information on lawsuits, arbitration proceedings and contingent assets is included in Note 44 to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

18. Events after the reporting period

Information concerning events after the reporting period is included in Note 45 of the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023.

Outlook



19. Outlook for the business

The Electricity Sector faces important challenges in the coming years, related to the Energy Transition towards a more sustainable, efficient and decarbonised model. In this context, the economic and regulatory environment in which

the electricity sector operates is of great importance, as it conditions the investment, financing and operating decisions of the agents participating in the market.

Macroeconomic environment

The European macroeconomic context of the last few months has reflected a slight moderation in inflation levels, thanks mainly to the slowdown in the energy component of prices. Nonetheless, underlying data have continued to show high levels, so the European Central Bank (ECB) has continued its pace of monetary policy tightening.

At the end of the first half of 2023, interest rates in the Eurozone stood at 4% after 8 consecutive hikes, the last one of 0.25% adopted on 15 June 2023. The European Central Bank (ECB) has also anticipated that it will probably have to make an additional 0.25% move in July, which could bring interest rates to their highest level since 2000.

With regard to Gross Domestic Product (GDP) growth forecasts, the European Central Bank (ECB) expects the euro zone, now in recession, to end the year with growth of 0.9%, while for the years 2024 and 2025 it foresees higher growth of 1.5% and 1.6%, respectively.

For its part, the Spanish economy has experienced a strong recovery in the first half of 2023 thanks to the improvement in tourism activity and the in exports of other non-tourism services. The Bank of Spain expects this expansion of economic activity to continue in the rest of the year, pointing to a year-on-year growth in Gross Domestic Product (GDP) of 2.3% for 2023 as a whole, similar to the levels expected for 2024 and 2025, 2.2% and 2.1%, respectively.

Regulatory landscape for the sector

During the first half of 2023, there have been some relevant changes in the regulatory environment, both at national and European level, which have implications for the Electricity Sector. The objective of all the measures implemented is to reduce costs for consumers, increase competition, favour the integration of renewables and facilitate the Energy Transition.

In the European regulatory realm, further progress has been made in the negotiations to reach an agreement on the electricity market reform proposal presented in March 2023 by the European Commission following a public consultation process. The reform must now be discussed and approved by the European Parliament and the European Council before it comes into force, which is expected to take place in 2024.

This reform, which will entail amendments to Regulation (EU) 2019/943 on the internal electricity market, Directive (EU) 2019/944 on common rules for the internal market in electricity, and Regulation (EU) 1227/2011 on wholesale energy market integrity and transparency (REMIT), focuses on areas where urgent adjustments are needed to make the market more resilient and to reduce the impact of gas prices on electricity bills, while supporting the Energy Transition.

The aim is to optimise electricity market design by complementing short-term markets with a greater role for longer-term instruments, thus allowing consumers to benefit from fixed price contracts and enabling investments in clean technologies. Ultimately, this will reduce the need for fossil fuel power generation and lead to lower consumer prices during future fossil fuel crises.

At the national level, regulation has focused on establishing consumer protection measures in response to the economic and social consequences of the Russia-Ukraine conflict, with the basic objectives of containing energy prices for all citizens and businesses, supporting the most affected sectors and the most vulnerable groups, and reinforcing price stability.

In this line, the most relevant developments of the period are as follows:

- The entry into force of the extraordinary levy of 1.2% on the 2022 and 2023 revenues of energy companies with an annual turnover exceeding Euro 1 billion, payable in 2023 and 2024.
- The extension until 31 December 2023 of the so-called "Iberian derogation" mechanism enacted through Royal Decree Law 3/2023 of 28 March.
- The recent approval on 13 June 2023 of Royal Decree 446/2023, amending Royal Decree 216/2014 of 28 March, which establishes the methodology for calculating the Voluntary Price for Small Consumers («PVPC») and related legal system for arranging the supply of energy, for the indexation of the regulated tariff to forward price signals in a manner conducive to reducing the current levels of volatility.

Information regarding sectoral regulation is included in Note 5 of the Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2023.

Course of the 2023–2025 Strategic Plan

In the first half of 2023, and within this market context, Endesa continued to successfully develop its Strategic Plan for the period 2023–2025, which was presented to the market on 23 November 2022, enabling it to take full advantage of the opportunities associated with the Energy Transition.

This Plan takes a further step towards the decarbonisation of the Company's generation mix, the diversification of higher value-added offers to deregulated customers and the development of the distribution grid as an integrating element of all of the above.

Information on the 2023–2025 Strategic Plan is included in Section 4.2 of the Consolidated Management Report for the year ended 31 December 2022.

Throughout 2023 Endesa plans to continue investing in renewables, commissioning a total of 1.1 GW of new

capacity by the end of the year, and in distribution, where it will continue to make progress on plans to digitise the grid as a key asset to facilitate the Energy Transition. The Company also plans to make progress this year in investments that will encourage greater electrification of demand, for which it is developing an active commercial strategy to offer customers new products and services at affordable prices.

Taking into account the financial results achieved in the first half of the year, the EBITDA and Ordinary Net Profit targets for 2023 are, for the time being, confirmed. Specifically, the current Strategic Plan foresees an EBITDA of Euro 4,400–4,700 million and an Ordinary Net Profit of between Euro 1,400 and 1,500 million by 2023.

Legal Disclaimer

This document contains certain forward-looking statements concerning financial and operating statistics and results and other forward-looking statements. These statements are not guarantees that future results will materialise and are subject to significant risks, uncertainties, changes in circumstances and other factors that may be beyond Endesa's control or may be difficult to predict.

These statements include, among other things, information about: estimates of future earnings; changes in electricity production by technology and market share; expected changes in gas demand and supply; management strategy and objectives; cost reduction estimates; pricing and tariff structures; investment forecasts; estimated asset disposals; expected changes in generation capacity and changes in the capacity mix; repowering of capacity; and macroeconomic conditions. The main assumptions underlying the forecasts and targets included in this document relate to the regulatory environment, exchange rates, commodities, counterparties, divestments, increases in production and installed capacity in markets where Endesa operates, and increases in demand in those markets, allocation of production between different technologies, cost increases associated with increased activity that do not exceed certain limits, an electricity price

no lower than certain levels, the cost of combined cycle plants and the availability and cost of raw materials and emission rights necessary to operate our business at the desired levels. In making these statements, Endesa avails itself of the protection afforded by the US Private Litigation Reform Act of 1995 for forward-looking statements.

The following factors, in addition to those discussed herein, could cause financial and operating results and statistics to differ materially from those stated in the forward-looking statements: economic and industry conditions; liquidity and funding factors; operational factors; strategic and regulatory, legal, tax, environmental, governmental and political factors; reputational factors; and business or transactional factors.

Additional information on the reasons why actual results and other developments may differ materially from the expectations implicitly or explicitly contained in this document can be found in the Risk Factors chapter of Endesa's regulated information filed with the Spanish National Securities Market Commission ("CNMV").

Endesa cannot guarantee that the prospects contained in this document will be fulfilled in their terms. Neither Endesa nor any of its subsidiaries intends to update such estimates, forecasts and targets except as otherwise required by law.

3.



Interim Condensed Consolidated Financial Statements

(Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Endesa, S.A. and subsidiaries

Consolidated Income Statement for the six months ended 30 June 2023 and 2022

Millions of Euro

	Notes	January-June ⁽¹⁾	January-June 2022 ⁽¹⁾
REVENUE	8	13,121	14,851
Revenue from sales and services	8.1	12,895	14,702
Other operating income	8.2	226	149
PROCUREMENTS AND SERVICES		(8,057)	(10,956)
Power purchases	9.1	(3,734)	(6,545)
Fuel consumption	9.2	(1,234)	(1,597)
Transmission expenses		(1,486)	(1,925)
Other variable procurements and services	9.3	(1,603)	(889)
INCOME AND EXPENSES FROM ENERGY COMMODITY DERIVATIVES	10	(1,506)	(923)
CONTRIBUTION MARGIN		3,558	2,972
Self-constructed assets		147	134
Personnel expenses	11.1	(520)	(499)
Other fixed operating expenses	11.2	(711)	(660)
Other gains/(losses)	12	2	241
GROSS OPERATING INCOME (EBITDA)		2,476	2,188
Depreciation and amortisation and impairment losses on non-financial assets	13.1	(853)	(791)
Impairment losses on financial assets	13.2	(102)	(81)
OPERATING INCOME (EBIT)		1,521	1,316
FINANCIAL PROFIT/(LOSS)		(270)	(56)
Finance income	14.1	25	125
Finance costs	14.1	(318)	(114)
Income and expenses on derivative financial instruments	14.2	3	(39)
Net exchange differences	14.1	20	(28)
Share of profit/(loss) of companies accounted for using the equity method	15 and 23	10	13
PROFIT BEFORE TAX		1,261	1,273
Income tax expense	16	(372)	(321)
PROFIT AFTER TAX FROM CONTINUING		889	952
PROFIT/(LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS		—	—
PROFIT FOR THE PERIOD		889	952
Parent		879	916
Non-controlling interests		10	36
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Euro)	17	0.83	0.87
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Euro)	17	0.83	0.87
BASIC EARNINGS PER SHARE (Euro)	17	0.83	0.87
DILUTED EARNINGS PER SHARE (Euro)	17	0.83	0.87

⁽¹⁾ Unaudited.

The accompanying Explanatory Notes 1 to 46 are an integral part of the consolidated income statements for the six months ended 30 June 2023 and 2022.

Endesa, S.A. and subsidiaries

Consolidated Statements of Other Comprehensive Income for the six months ended 30 June 2023 and 2022

Millions of Euro

	Notes	January-June 2023 ⁽¹⁾	January-June 2022 ⁽¹⁾
CONSOLIDATED PROFIT FOR THE PERIOD		889	952
OTHER COMPREHENSIVE INCOME:			
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		-	219
Revaluation/(reversal of revaluation) of property, plant and equipment and intangible assets		-	-
Actuarial gains and losses	331	-	274
Share of other comprehensive income recognised on investments in joint ventures and associates		-	-
Equity instruments through other comprehensive income		-	-
Other income and expense that will not be reclassified to profit or loss for the period	16	-	-
Tax effect		-	(55)
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS		1,472	(1,403)
Hedging transactions		1,959	(1,892)
Valuation gains/(losses)		998	(2,238)
Amounts transferred to profit or loss		961	346
Other reclassifications		-	-
Exchange differences		-	(1)
Valuation gains/(losses)		-	(1)
Amounts transferred to profit or loss		-	-
Other reclassifications		-	-
Share of other comprehensive income recognised on investments in joint ventures and associates		3	17
Valuation gains/(losses)		3	17
Amounts transferred to profit or loss		-	-
Other reclassifications		-	-
Debt instruments at fair value through other comprehensive income		-	-
Valuation gains/(losses)		-	-
Amounts transferred to profit or loss		-	-
Other reclassifications		-	-
Other income and expense that may be reclassified subsequently to profit or loss for the period		-	-
Valuation gains/(losses)		-	-
Amounts transferred to profit or loss		-	-
Other reclassifications		-	-
Tax effect	16	(490)	473
TOTAL COMPREHENSIVE INCOME		2,361	(232)
Of the parent		2,351	(268)
Of non-controlling interests		10	36

⁽¹⁾ Unaudited.

The accompanying Explanatory Notes 1 to 46 are an integral part of the consolidated statement of other comprehensive income for the six months ended 30 June 2023 and 2022.

Endesa, S.A. and subsidiaries

Consolidated Statement of Financial Position at 30 June 2023 and 31 December 2022

Millions of Euro

	Notes	At 30 June 2023 ⁽¹⁾	At 31 December 2022 ⁽²⁾
ASSETS			
NON-CURRENT ASSETS		28,761	30,142
Property, plant and equipment	18	22,416	22,338
Investment properties		59	59
Intangible assets	20	1,669	1,636
Goodwill	21	462	462
Investments accounted for using the equity method	23	283	274
Non-current assets from contracts with customers	24.1	-	-
Other non-current financial assets	25	769	1,160
Derivative financial instruments		731	1,249
Other non-current assets	26	352	304
Deferred tax assets	22	2,020	2,660
CURRENT ASSETS		14,031	19,925
Inventories	28	1,230	2,122
Trade and other receivables	29	5,326	5,687
Trade receivables		4,808	5,472
Current income tax assets		348	49
Other tax assets		170	166
Current assets from contracts with customers	24.1	7	8
Other current financial assets	27	5,332	8,677
Derivative financial instruments		1,412	2,533
Cash and cash equivalents	30	697	871
Non-current assets held for sale and discontinued operations	31	27	27
TOTAL ASSETS		42,792	50,067
EQUITY AND LIABILITIES			
EQUITY	32	6,416	5,758
Of the parent	32.1	6,231	5,557
Share capital		1,271	1,271
Share premium and reserves		5,797	4,934
(Treasury shares and own equity instruments)		(5)	(5)
Profit for the period attributed to the Parent		879	2,541
Interim dividend		-	-
Other equity instruments		5	4
Valuation adjustments		(1,716)	(3,188)
Of non-controlling interests	32.2	185	201
NON-CURRENT LIABILITIES		23,331	23,627
Government grants		233	238
Non-current liabilities from contracts with customers	24.2	4,281	4,300
Non-current provisions	33	2,716	2,964
Provisions for employee benefits		262	278
Other non-current provisions		2,454	2,686
Non-current borrowings	37.3	13,151	11,704
Derivative financial instruments		1,112	2,408
Other non-current financial liabilities	35	-	-
Other non-current liabilities	34	583	588
Deferred tax liabilities	22	1,255	1,425
CURRENT LIABILITIES		13,045	20,682
Current liabilities from contracts with customers	24.2	311	294
Current provisions	33	769	1,236
Provisions for employee benefits		-	-
Other current provisions		769	1,236
Current borrowings	37.3	1,314	6,784
Derivative financial instruments		2,881	4,990
Other current financial liabilities	35	85	51
Trade and other payables	36	7,685	7,327
Trade payables		6,049	6,219
Current income tax liabilities		991	544
Other tax liabilities		645	564
Liabilities associated with non-current assets held for sale and discontinued operations		-	-
TOTAL EQUITY AND LIABILITIES		42,792	50,067

⁽¹⁾ Unaudited.

⁽²⁾ See Note 2.

The accompanying Explanatory Notes 1 to 46 are an integral part of the consolidated statements of financial position at 30 June 2023 and 31 December 2022.

Endesa, S.A. and subsidiaries

Consolidated Statement of Changes in Equity for the six months ended 30 June 2023

Millions of Euro

(Unaudited)	Notes	Equity attributable to the Parent ^(Nota 32.1)						Non-controlling interests ^(Nota 32.2)	Total equity
		Capital and reserves							
		Capital	Share premium, reserves and interim dividend	Treasury shares	Profit for the period	Other equity instruments	Valuation adjustments		
Opening balance at 1 January 2023		1,271	4,937	(5)	2,541	4	(3,188)	201	5,761
Adjustments due to changes in accounting policies ⁽¹⁾		—	(3)	—	—	—	—	—	(3)
Corrections of errors		—	—	—	—	—	—	—	—
Adjusted opening balance		1,271	4,934	(5)	2,541	4	(3,188)	201	5,758
Total comprehensive income		—	—	—	879	—	1,472	10	2,361
Transactions with equity holders or owners		—	(1,678)	—	—	—	—	(26)	(1,704)
Capital increases/ (reductions)		—	—	—	—	—	—	—	—
Conversion of liabilities into equity		—	—	—	—	—	—	—	—
Dividends paid	^{32.1.4}	—	(1,678)	—	—	—	—	(26)	(1,704)
Transactions with treasury shares (net)		—	—	—	—	—	—	—	—
Increases/(decreases) due to business combinations		—	—	—	—	—	—	—	—
Other transactions with equity holders or owners		—	—	—	—	—	—	—	—
Other changes in equity		—	2,541	—	(2,541)	1	—	—	1
Share-based payments		—	—	—	—	1	—	—	1
Transfers between equity items		—	2,541	—	(2,541)	—	—	—	—
Other changes		—	—	—	—	—	—	—	—
Closing balance at 30 June 2023		1,271	5,797	(5)	879	5	(1,716)	185	6,416

⁽¹⁾ See Note 2.

The accompanying Explanatory Notes 1 to 46 are an integral part of the consolidated statement of changes in equity for the six months ended 30 June 2023.

Endesa, S.A. and subsidiaries

Consolidated Statement of Changes In Equity for the six months ended 30 June 2022

Millions of Euro

(Unaudited)	Notes	Equity attributable to the Parent ^(Nota 32.1)						Non-controlling interests ^(Nota 32.2)	Total equity
		Capital and reserves					Valuation adjustments		
		Capital	Share premium, reserves and interim dividend	Treasury shares	Profit for the period	Other equity instruments			
Opening balance at 1 January 2022		1,271	4,232	(3)	1,435	2	(1,557)	164	5,544
Adjustments due to changes in accounting policies ⁽¹⁾		–	(2)	–	–	–	–	–	(2)
Corrections of errors		–	–	–	–	–	–	–	–
Adjusted opening balance		1,271	4,230	(3)	1,435	2	(1,557)	164	5,542
Total comprehensive income		–	219	–	916	–	(1,403)	36	(232)
Transactions with equity holders or owners		–	(996)	(1)	–	–	–	(15)	(1,012)
Capital increases/(reductions)		–	–	–	–	–	–	(3)	(3)
Conversion of liabilities into equity		–	–	–	–	–	–	–	–
Dividends paid	32.1.4	–	(992)	–	–	–	–	(9)	(1,001)
Transactions with treasury shares (net)		–	–	(1)	–	–	–	–	(1)
Increases/(decreases) due to business combinations		–	(4)	–	–	–	–	(3)	(7)
Other transactions with equity holders or owners		–	–	–	–	–	–	–	–
Other changes in equity		–	1,435	–	(1,435)	1	–	–	1
Share-based payments		–	–	–	–	1	–	–	1
Transfers between equity items		–	1,435	–	(1,435)	–	–	–	–
Other changes		–	–	–	–	–	–	–	–
Closing balance at 30 June 2022		1,271	4,888	(4)	916	3	(2,960)	185	4,299

⁽¹⁾ See Note 2.

The accompanying Explanatory Notes 1 to 46 are an integral part of the consolidated statement of changes in equity for the six months ended 30 June 2022.

Endesa, S.A. and subsidiaries

Consolidated Statement of Cash Flows for the six months ended 30 June 2023 and 2022

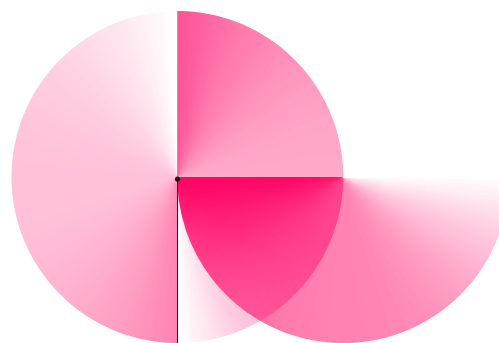
Millions of Euro

	Notes	January-June 2023 ⁽¹⁾	January-June 2022 ⁽¹⁾
Gross profit before tax		1,261	1,273
Adjustments for:		1,659	908
Depreciation and amortisation and impairment losses	13	955	872
Other adjustments (net)		704	36
Working capital changes:	40.1	(706)	(2,048)
Trade and other receivables		679	(908)
Inventories		(53)	(391)
Current financial assets		188	(733)
Trade payables and other current liabilities		(1,520)	(16)
Other cash flows used in operating activities:	40.1	(599)	(302)
Interest received		23	33
Dividends received		17	18
Interest paid		(217)	(81)
Income tax paid		(244)	(53)
Other receipts from and payments for operating activities		(178)	(219)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	40	1,615	(169)
Payments for investments	40.2	(1,303)	(3,904)
Purchases of property, plant and equipment and intangible assets		(1,116)	(944)
Equity investments in group companies		—	—
Purchases of other investments		(187)	(2,960)
Proceeds from sale of investments	40.2	3,576	140
Proceeds from sale of property, plant and equipment and intangible assets		3	4
Proceeds from sales of equity investments in group companies		—	136
Proceeds from sale of other investments		3,573	—
Other cash flows from investing activities	40.2	39	40
Other proceeds from and payments for investing activities		39	40
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	40	2,312	(3,724)
Cash flows from equity instruments	6.1, 23, 32.2 and 40.3	(13)	(17)
Drawdowns of non-current borrowings	37.3 and 40.3	2,599	2,893
Repayment of non-current borrowings	37.3 and 40.3	(986)	(5)
Net cash flows from current borrowings	37.3 and 40.3	(5,677)	1,054
Dividends of the Parent paid	32.1.4 and 40.3	—	(529)
Dividends paid to non-controlling interests	32.2 and 40.3	(24)	(7)
NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES	40	(4,101)	3,389
TOTAL NET CASH FLOWS		(174)	(504)
Effect of exchange rate fluctuations on cash and cash equivalents		—	—
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(174)	(504)
CASH AND CASH EQUIVALENTS INITIAL	30	871	703
Cash in hand and at banks		871	703
Cash equivalents		—	—
CASH AND CASH EQUIVALENTS FINAL	30	697	199
Cash in hand and at banks		697	199
Cash equivalents		—	—

⁽¹⁾ Unaudited.

The accompanying Explanatory Notes 1 to 46 are an integral part of the consolidated statements of cash flows for the six months ended 30 June 2023 and 2022.

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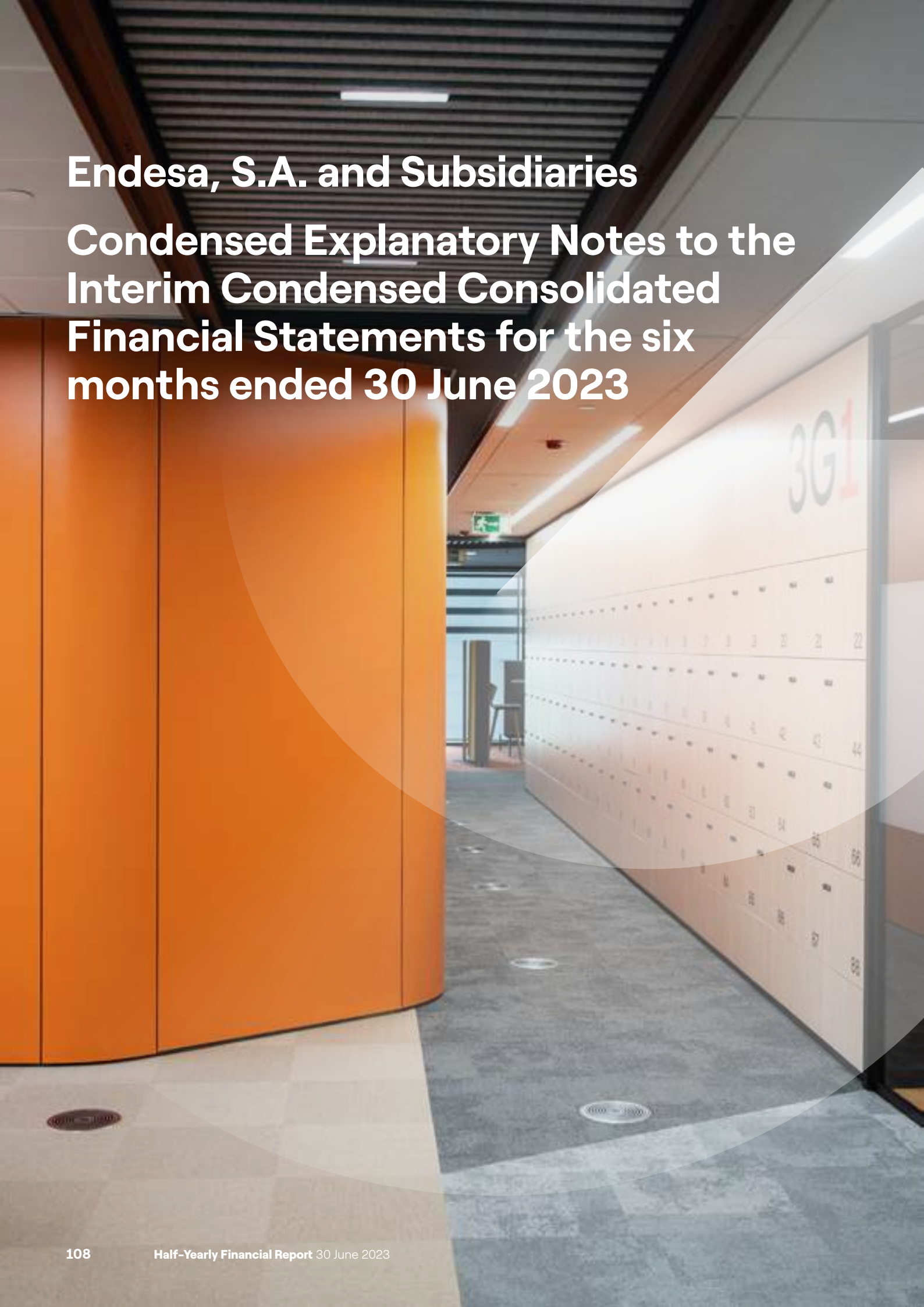
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Legend

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	Renewable Generation
	Energy Supply
	Marketing of other Products and Services
	Distribution
	Structure and Services

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Endesa, S.A. and Subsidiaries

Condensed Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023

1. Company activity and Interim Condensed Consolidated Financial Statements

Endesa, S.A. (“the Parent” or the “Company”) and its subsidiaries make up the Endesa Group (“Endesa”). Endesa, S.A. has its registered office and tax domicile, as well as its main offices in Madrid (Spain), calle Ribera del Loira, 60.

The Company was incorporated as a (Sociedad Anónima), company limited by shares under Spanish law in 1944 under the name Empresa Nacional de Electricidad, S.A. and changed its name to Endesa, S.A. pursuant to a resolution passed by the shareholders at the General Meeting of shareholders on 25 June 1997. Since that date there has been no subsequent change in its corporate name.

Its corporate purpose is the electricity business in all its various industrial and commercial areas; the exploitation of primary energy resources of all types; the provision of industrial services, particularly in the areas of telecommunications, water and gas and those preliminary or supplementary to the Group’s corporate purpose, and the management of the corporate Group, comprising investments in other companies. Endesa carries out its corporate objects, either directly or through its equity investments in other companies, nationally and internationally, mainly in Spain and Portugal, as well as through branches in several other European countries.

Given the activities carried out by Endesa companies, their transactions are not considered to be particularly cyclical or seasonal.

Endesa’s consolidated financial statements for the year ended 31 December 2022 approved by the shareholders at the General Meeting of Shareholders held on 28 April 2023 and filed with the Madrid companies register.

The Company forms part of the Enel Group, whose ultimate parent company is Enel, S.p.A., which is governed by Italian legislation. Its registered office is at Viale Regina Margherita, 137, Rome, Italy. In Spain, the Enel Group is headed by Enel Iberia, S.L.U., with registered office at Calle Ribera del Loira, 60, Madrid. At 30 June 2023, the Enel Group, through Enel Iberia, S.L.U., held 70.1% of Endesa, S.A.’s share capital (see Note 32.1).

Enel Group’s consolidated financial statements for the year ended 31 December 2022 approved by the shareholders at the General Meeting of Shareholders held on 10 May 2023 and filed with the Commercial Registers of Rome and Madrid.

The presentation currency of these interim condensed consolidated financial statements is the euro, which is the presentation currency of the Parent, and the figures shown herein (unless stated otherwise) are in millions of Euro.

2. Basis of preparation of the Interim Condensed Consolidated Financial Statements

Endesa's interim condensed consolidated financial statements for the six months ended 30 June 2023, which were approved by the Directors of the Parent at the Board meeting held on 25 July 2023, have been prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRIC) as adopted by the European Union (EU) at the reporting date, pursuant to Regulation (EC) No. 1606/2002, of 19 July, of the European Parliament and of the Council and other provisions of the financial reporting framework applicable to Endesa.

These Interim Condensed Consolidated Financial Statements present fairly the equity and financial position of Endesa at 30 June 2023, as well as the consolidated comprehensive income, consolidated operating performance, changes in consolidated equity and changes in consolidated cash flows for the six-month period then ended.

The Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023 have been prepared using the same accounting policies, presentation and measurement standards as those described in Notes 2 and 3 to the consolidated financial statements for the year ended 31 December 2022, with the exception of the new International Financial Reporting Standards (IFRS) and

interpretations of the IFRS Interpretations Committee (IFRIC) published in the Official Journal of the European Union which were first applied by Endesa in the interim condensed consolidated financial statements for the six months ended 30 June 2023. They were prepared on a going concern basis and applying the cost method, except for items measured at fair value in accordance with IFRS. Items in the consolidated income statement are classified in accordance with the nature of the costs.

Endesa's Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2023 have been prepared from the accounting records of the Parent and those of the rest of the companies comprising Endesa. Each subsidiary prepares its Financial Statements in accordance with the accounting principles and criteria in force in the country in which it operates. Accordingly, the necessary adjustments and reclassifications have been made on consolidation to bring these principles and criteria into line with International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRIC).

At the date of issue of these interim condensed consolidated financial statements, the following changes in accounting policies had occurred:

a) Standards and interpretations adopted by the European Union and applied for the first time in the interim condensed consolidated financial statements for the six months ended 30 June 2023

Standards, amendments to standards and interpretations	Mandatory for: Annual periods beginning on or
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: <i>Disclosure of Accounting Policies</i> .	1 January 2023
Amendments to IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates</i> .	1 January 2023
IFRS 17 <i>Insurance Contracts including amendments</i> .	1 January 2023
Amendments to IAS 12 <i>Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i> .	1 January 2023
Amendments to IFRS 17 <i>Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information</i> .	1 January 2023

These amendments and improvements did not have a significant impact on the interim condensed consolidated financial statements for the six months ended 30 June 2023, except for the amendments to IAS 12 *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*.

With the amendment effective as of 1 January 2023, Endesa recognised, at 1 January 2022 “*Deferred tax assets*”

and “*Deferred tax liabilities*” for the temporary differences arising on the initial recognition of right-of-use assets and the related lease liabilities for Euro 129 million and Euro 131 million, respectively (2023: Euro 107 million and Euro 110 million, respectively, at 1 January 2023). The cumulative impact was a negative Euro 2 million recognised in “*Equity*”. The impact of the amendment on the 2022 consolidated income statement was less than Euro 1 million, negative.

b) Standards and interpretations issued by the International Accounting Standards Board (IASB) not endorsed by the European Union (EU)

The International Accounting Standards Board (IASB) has approved the following International Financial Reporting Standards (IFRS) which could affect Endesa and at the date

of preparation of the interim condensed consolidated financial statements had yet to be endorsed by the European Union (EU):

Standards, amendments to standards and interpretations	Mandatory for: ⁽¹⁾ Annual periods beginning on or
Amendments to IAS 12 <i>Income Taxes: International Tax Reform – Pillar Two Model Rules</i> .	1 January 2023
Amendments to IAS 1 <i>Presentation of Financial Statements – Classification of Liabilities as Current or Non-current</i> .	1 January 2023
Amendments to IAS 1 <i>Presentation of Financial Statements – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</i> .	1 January 2023
Amendments to IAS 1 <i>Presentation of Financial Statements – Non-current Liabilities with Covenants</i> .	1 January 2023
Amendments to IFRS 16 <i>Leases – Lease Liability in a Sale and Leaseback Transaction</i> .	1 January 2023
Amendments to IAS 7 <i>Statement of Cash Flows and IFRS 7 <i>Financial Instruments: Disclosure</i> – Suppliers Finance Arrangements</i> .	1 de enero de 2024

⁽¹⁾ If adopted without changes by the European Union.

At the date of approval of these interim condensed consolidated financial statement, Endesa’s management was assessing the impact of applying these amendments on Endesa’s consolidated financial statements, if they were endorsed by the European Union, but had yet to conclude its assessment.

3. Responsibility for the information and estimates made

The information contained in these Interim Condensed Consolidated Financial Statements, which have been approved at the Board of Directors' meeting held on 25 July 2023, is the responsibility of the Company's Directors and they expressly state that the principles and criteria included in the International Financial Reporting Standards (IFRS) described in the following paragraph have been applied. The interim condensed consolidated financial statements for the six months ended 30 June 2023 have been prepared based on the accounting records of the Company and the other Endesa subsidiaries at that date. They include all the material information required by IAS 34 *Interim Financial Reporting* as provided for in article 12 of Royal Decree 1362/2007, 19 October, although they do not include all the information and the full set of disclosures required by International Financial Reporting Standards (IFRS) for the preparation of complete financial statements and, for an appropriate understanding, should read in conjunction with the consolidated financial statements for the year ended 31 December 2022.

Preparation of the accompanying interim condensed consolidated financial statements required Endesa's management to make estimates that affect the reported

amounts of certain assets, liabilities, revenue, expenses and obligations recognised therein. The estimates required for the preparation of these interim condensed consolidated financial statements were essentially the same as those described in Note 3.1 to the consolidated financial statements for the year ended 31 December 2022. No changes were made to the estimates used in those annual consolidated financial statements with a material effect on the interim condensed consolidated financial statements for the six months ended 30 June 2023.

The calculation of the amount of "Income tax" in the accompanying interim condensed consolidated financial statements was based on the best estimate of the tax rate expected for the full financial year. Therefore, the amount accrued in this connection for the six months ended 30 June 2023 may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

At the date of approval of these interim condensed consolidated financial statements, the effective tax rate does not include impacts from changes in tax laws affecting income tax.

4. Information on non-financial matters

4.1. Climate change

Endesa pursues a business model that aims to respond to the main challenges facing the society in which it operates, and with the aim of leading the energy transition, in line with the United Nation's Sustainable Development Goals (SDGs) and the objectives of the Paris Agreement. The aim is to meet the challenge of decarbonisation of the economy by helping to achieve the objective of containing the average increase in global temperatures at 1.5 °C compared with the pre-industrial period, creating shared value for all stakeholders and spreading its sustainability principles and commitments throughout the value chain. This strategic approach of the business model reflects Endesa's vision, mission and values.

In this vein, Endesa is fully committed to developing a sustainable business model aligned with the objectives of the Paris Agreement. For the Company, the fight against Climate Change has been an unprecedented challenge, establishing ambitious objectives through the successive Strategic Plans that have been approved.

The 2023-2025 Strategic Plan follows this approach and accelerates the decarbonisation of the Company's

generation mix, while it also presents a value proposition to accompany Endesa in its decarbonisation pathway aligned with the 1.5 °C target, covering the main direct and indirect emissions. Endesa thus contributes to the target certified by the Science Based Target Initiative (SBTi) at Group level by its parent company, Enel.

Indeed, as part of the SBTi, Endesa aims to become "Net Zero" by 2040. In keeping with the aspiration to reach zero emissions, the use of neutralisation instruments would be considered for those emissions for which there is no emission-free technological solution.

Note 5.1 of the consolidated financial statements for the year ended 31 December 2022 include disclosures on climate change in accordance with the recommendations of the European Securities and Markets Authority (ESMA) and the document "Effects of Climate Related Matters on Financial Statements" published by the International Accounting Standards Board (IASB), some of which are disclosed in the following notes to Endesa's interim condensed consolidated financial statements for the six months ended 30 June 2023:

Matters	Notes	Content
Regulatory Framework	⁵	Spain: Strategic energy and climate framework. Europe: Regulation related to the environment and sustainable finance.
Property, plant and equipment and intangible assets	^{18 and 20}	Breakdown of tangible fixed assets by technology. Investment plan in non-emitting technologies and digitalisation strategy. Impact of the commitment to Climate Change on the valuation of non-financial assets in order to determine the existence of impairment losses.
Stocks	^{9.3 and 28}	Details of stocks and purchase commitments by type. Description and accounting recording of carbon dioxide (CO ₂) emission rights and guarantees of origin. Recognition of costs and associated provision.
Provisions	³³	Obligations associated with the Energy Transition process relating to affected employees and the costs of decommissioning certain installations. Provisions associated with carbon dioxide (CO ₂) emission rights and guarantees of origin.
Sustainable financing	³⁷³	Financial debt containing sustainability clauses.
Share-based payments	⁴¹⁵	Variable remuneration linked to sustainability targets

4.2. Russia-Ukraine conflict and COVID-19 health crisis

Russian-Ukraine conflict

The macroeconomic and geopolitical landscape in the first six months of 2023 was characterised by uncertainty and volatility as a result of:

- The continued conflict between Russia and Ukraine, which shows no signs of being resolved in the short term, and its implications for supply and commodity prices, especially gas;
- The sharp increase in inflation, together with potential supply chain disruptions and the implications of the reopening of the Chinese economy;
- Cybersecurity; and
- The current macroeconomic backdrop of rising interest rates, which has resulted in higher costs of financing of public and corporate debt.

The liquid fuels markets have been balanced out once the sanctions imposed by the European Union (EU) on imports of Russian crude oil and other products arising from the conflict in Ukraine have entered into force. There is currently availability of products in the main refining and trade hubs in northern Europe. For its part, Endesa has sealed its fuel oil and gasoil supply needs for the Non-mainland Territories ("TNP") plants with companies of acknowledged solvency and with their own refinancing capacity. However, it could be the case that existing market tensions hinder these supplies.

With regard to gas, Endesa does not have any counterparties that are possibly affected by the sanctions, nor has it taken out gas supply contracts with Russia; hence, the Company's gas supply is guaranteed. The price

of gas in the European markets affected by the reduction of Russian gas to Europe, particularly the Title Transfer Facility (TTF), was on a downward trend in the first half of 2023 due to the mild winter temperatures, the measures adopted to reduce demand and the diversification of supply. In this regard, Endesa has arranged positions on this index as a result of its strategy of hedging expected revenue from the sale of gas and the downward trend in the commodities markets has eased Endesa's liquidity needs arising from the net position subject to the margining of financial instruments traded on organised markets. With regard to uranium (UF_6), Endesa has covered its needs for nuclear fuel for recharging until 2024 and progress is being made in covering the needs for 2025, which are currently covered if the reserve stock were used. Given the complexity of the current environment and in compliance with the recommendations of the European Securities and Markets Authority (ESMA) dated 14 March 2022, 13 May 2022 and 28 October 2022, Endesa is monitoring both the status and changes in the current situation generated by the Russia-Ukraine conflict in order to manage potential risks and changes in macroeconomic, financial and commercial variables of the current environment, as well as the regulatory measures in force, in order to update the estimate of the possible impacts on the Consolidated Financial Statements. The analysis is outlined in the following Notes to these Interim Condensed Consolidated Financial Statements:

Matters	Notes	Content
Regulatory Framework	5	Regulatory measures adopted by the community and national authorities in response to the economic and social consequences of the conflict and of the present environment.
Impairment of non-financial assets	18.3, 20.3 and 21.1	Monitoring of the current context.
Inventories	28.3	Effect of the economic context on contracts with "take or pay" clauses.
Financial instruments	10, 37.1 and 37.2	Modification of the business model and the contractual cash flow characteristics of financial assets, and reclassification among financial asset categories. Trends in the measurement and settlement of energy derivatives, detail of financial instruments and compliance with the requirements in standards for applying hedge accounting.
Borrowings	37.3	Detail of borrowings.
Energy commodity price risk	38.1	Sensitivity analysis. Variations in electricity and gas prices in energy markets and other raw materials.
Liquidity risk	30 and 38.2	Details of the liquidity position.
Credit risk	38.3	Impairment testing of financial assets.
Concentration risk	38.4	Analysis of potential delays in supplies and performance of contracts in the supply chain.
Fair value measurement	39	Detail of financial assets and financial liabilities measured at fair value.

According to the above, in the first half of 2023, the effects of both the conflict and the current context did not have a significant impact on gross operating income (EBITDA) or operating income (EBIT). The net position subject to margining in the organised markets in which Endesa arranges its financial instruments, the prices of which have

recently fallen to below pre-conflict levels, resulted in lower collateralisation needs of Euro 3,576 million at 30 June 2023 in respect to 31 December 2022, which has had a positive impact on Endesa's liquidity position (see Notes 37 and 38).

COVID-19 health crisis

Endesa is also constantly monitoring the evolution of the COVID-19 pandemic, together with the changes in macroeconomic, financial and trade variables, as well as the regulatory measures in force, to update the estimate of the possible effects on the Consolidated Financial Statements, in line with the recommendations of the European Securities and Markets Authority (ESMA) and the Spanish Securities Market Commission ("CNMV").

In this regard, in the first halves of 2023 and 2022, the effect of the health crisis did not have a significant impact on gross operating income (EBITDA) or on operating income (EBIT).



5. Industry regulation

The main highlights on the regulatory front during the January-June 2023 period were as follows:

Regulatory framework in Spain

Extension for 2023 of certain measures taken in the context of the crisis arising from the Russia-Ukraine conflict

Through Royal Decree Law 18/2022, of 18 October, which approves measures to strengthen the protection of energy consumers and contribute to the reduction of natural gas consumption in application of the “*Plan + Security for your energy (+SE)*”, as well as measures relating the remuneration of personnel in the public sector and the protection of temporary agricultural workers affected by drought, and Royal Decree 20/2022, of 27 December, on measures to respond to the economic and social consequences of the war in Ukraine and support for the reconstruction of the island of La Palma and other situations of vulnerability and Royal Decree Law 5/2023, of 28 June, adopting and extending certain measures in response to the economic and social consequences of the war in Ukraine, certain measures adopted in the past related to the crisis resulting from the Russia-Ukraine conflict have been extended during the financial year 2023. These include:

- In relation to the Social Bonus, the discounts for beneficiaries have been increased, until 31 December 2023, from 60% to 65% for vulnerable consumers, and from 70% to 80% for severely vulnerable consumers. Similarly, and with the same time horizon, the energy limit to which the rebates apply has been raised by 15%. A new discount of 40% has been created, again with the same time horizon, for working households covered by the Voluntary Price for Small Consumers (“PVPC”) with incomes between 1.5 and 2 times the Public Multiple Effect Income Indicator (“IPREM”), increased by

0.3 for each additional adult member and 0.5 for each additional minor member of the household.

In addition, the ban on cutting the supply of electricity, water and gas to vulnerable customers, severely vulnerable consumers, or those at risk of social exclusion is extended until 31 December 2023.

- The mechanism for reducing the excess remuneration of the electricity market caused by the high price of natural gas on international markets, introduced by Royal Decree Law 17/2021 of 14 September, is extended until 31 December 2023.
- In the tax realm, the Law extends, until 31 December 2023, the reduction in Value Added Tax (VAT) on gas and electricity to 5%, the reduction in the excise tax on electricity to 0.5%, and the suspension of the tax on the value of electricity production (in relation to the latter, the Electricity System will be compensated by an equivalent amount to ensure that revenues and the costs of the charges are balanced).
- Turning to tariffs and charges, the 80% reduction in electricity tariffs for electricity intensive consumers is extended until 31 December 2023, which will be compensated from the General State Budget (“PGE”). In addition, Euro 2,000 million will be allocated out of the General State Budget (“PGE”) to cover electricity system charges. Lastly, the Law dictates that any surplus that may arise in the 2022 settlements will be allocated to the 2023 settlements.

Royal Decree Law 5/2023, of 28 June, adopting and extending certain measures in response to the economic and social consequences of the war in Ukraine, support for the reconstruction of the island of La Palma and other situations of vulnerability, among others

This Royal Decree Law was published in the Official State Gazette ("BOE") on 29 June 2023. Among other matters, it introduces a new package of measures to cope with both the economic and social consequences in Spain of the war in Ukraine, including extending measures already adopted previously. In the energy realm, some of the key aspects are:

- It extends the deadline for renewable projects with access permits granted on or after 1 January 2018 by six months to comply with the milestone of obtaining the administrative construction authorisation. In any event, it maintains the 5-year deadline for commissioning.
- The electricity market price references and fuels to be used for certain facilities under the specific remuneration regime for renewables, cogeneration and waste are modified to consider values more in line with the current market situation. In this respect, on 8 July 2023, Order TED/741/2023 of 30 June was published, which updates the remuneration parameters for the 2023-2025 half-period, incorporating, among other aspects, the provisions of this Royal Decree-Law 5/2023.
- In keeping with European legislation, it introduces a new subject in the electricity sector: citizen energy

communities. Among other rights, these have the possibility of owning distribution networks and the ability to act as representatives for consumers to carry out collective self-consumption. For the existing figure of renewable energy communities, new rights are defined based on specific European legislation, whereby the related distribution grid operator will facilitate "energy transfers". These communities will be subject to tariffs and charges and the related fees and taxes, so that they contribute to the overall distribution of the system's cost.

- It also declares all recharging stations with over 3 MW of capacity as of public utility, subject to authorisation by the Ministry for the Ecological Transition and the Demographic Challenge ("MITECO"). Stations with lower capacity are exempt from the requirement to obtain administrative authorisation. Moreover, to promote electric mobility, it includes a deduction of 15% on the purchase value of new electric vehicles and of the amounts for installing a recharging station on a taxpayer's property not used for a business activity from personal income tax withholding) until 31 December 2024.

Law 38/2022 of 27 December, ushering in temporary energy taxes and taxes on credit institutions and lending institutions, creating a temporary solidarity tax on large fortunes and amending certain tax regulations

This Law was ultimately published in the Official State Gazette ("BOE") on 28 December 2022, following its approval by the Spanish Parliament. With regard to the energy tax, the main aspects of this Law are as follows:

- For 2023 and 2024, the Law introduces a temporary levy of 1.2% on the net turnover earned from activities carried out in Spain during the calendar year prior to the year in which the payment obligation arises (which will arise on the first day of the calendar year).
- The taxable revenue will not include revenue subject to the Tax on Hydrocarbons, the Special Tax of the Autonomous Community of the Canary Islands on Fuels Derived from Petroleum and the Complementary Levies on Fuels and Oil-based Fuels in Ceuta and Melilla, which have either been paid or borne by way of

repercussion. The taxable revenue will also exclude revenue relating to regulated activities, understood as regulated price supply (the Voluntary Price for the Small Consumer ("PVPC") for electricity, the Last Resort Tariff (LRT) for gas, bottled Liquefied Petroleum Gas (LPG) and piped LPG), regulated income from the electricity and natural gas transmission and distribution grids and, in the case of generation subject to regulated remuneration and additional remuneration in the Non-mainland Territories ("TNP") all revenue received from the facilities, including that received from the market and economic dispatch.

- The levy will apply to persons or entities with the status of main operator in the energy sectors in the following two circumstances: 1) when their annual turnover in

2019 exceeded Euro 1,000 million, and 2) when their turnover in 2017, 2018 and 2019 for the activity qualifying them as main operator exceeded 50% of their total turnover for the year in question. The Law also states that the status of main operator in the energy sectors will be held by persons or entities engaged in crude oil or natural gas production, coal mining or oil refining in Spain and that generate, in the year prior to the year in which the obligation to pay the levy arises, at least 75% of their turnover from economic

activities in the field of extraction, mining, oil refining or the manufacture of coking plant products.

- Where the companies form part of a tax group that is taxed under the consolidated tax regime, net turnover shall be determined by reference to that group.
- This levy will have the legal status of a non-tax public charge, and will not be considered a tax-deductible expense for the purposes of the taxable base for corporate income tax, nor may it be passed on to third parties.

Royal Decree Law 3/2023, of 28 March, on the extension of the production cost adjustment mechanism for the reduction of the price of electricity in the wholesale market regulated in Royal Decree 10/2022, of 13 May

This Royal Decree Law was published on 29 March 2023. Among other aspects, it extends for seven additional months, until 31 December 2023, the mechanism of the so-called Iberian exception introduced by Royal Decree Law 10/2022, of 13 May. This Royal Decree Law amends

and completes, until the end of 2023, the path of reference prices of natural gas for the purposes of activating the mechanism, with values that increasingly range from Euro 45/MWh in January 2023 to Euro 65/MWh in December 2023.

Royal Decree 446/2023, of 13 June, amending Royal Decree 216/2014 of 28 March, which establishes the methodology for calculating the Voluntary Price for Small Consumers (PVPC) and related legal system for arranging the supply of energy, for the indexation of the regulated tariff to forward price signals in a manner conducive to reducing the current levels of volatility

- Published on 14 June 2023, this Royal Decree amends, with effect as of 1 January 2024, the methodology for calculating the voluntary prices for small consumers ("PVPC"). Its key features are:
 - The "PVPC" will apply to domestic consumers and micro-enterprises with a contracted power equal to or less than 10 kW.
 - The energy cost will be partially indexed to forward markets, incorporating a basket of forward products referenced to OMIP. This will be done gradually, with 25% in 2024, 40% in 2025 and 55% from 2026. The remainder will be the spot price. The part indexed to forward signals is distributed among the monthly (10%), quarterly (36%) and (54%) product. Via a Ministerial Order, these percentages may be amended and a

reference included in the formulation to the price arising from auctions of manageable inframarginal and non-emitting energy provided for in Royal Decree Law 17/2021, of 14 September, if reference suppliers participate.

- The Voluntary Price for Small Consumers ("PVPC") recognises for reference suppliers the cost of financing the Social Bonus set annual by the related Order along with an additional coefficient for the recovery of the amounts borne since Royal Decree Law 6/2022, of 29 March.
- Furthermore, this Royal Decree amends certain regulatory aspects of generation in Non-mainland Territories ("TNP").

Non-mainland Territories ("TNP")

Under the terms of Royal Decree 738/2015, of 31 July, in January 2023 the Ministry of Ecological Transition and the Demographic Challenge ("MITECO") began the process of hearing the proposal for a resolution of the Secretary of State for Energy to convene the competitive procedure for the granting of the favourable compatibility decision for entitlement to the additional remuneration regime. Under this process, the compatibility decision will be granted, among others, to applications able to cover the additional power needs that have come to light as a result of the coverage analyses carried out by the System Operator.

Royal Decree 446/2023 of 13 June also amended certain regulatory aspects of generation in the Non-mainland Territories ("TNP"), such as:

- It eliminates the adjustment factor for fuel bills effective as of 1 January 2023.
- It introduces a correlation factor in the calculation of carbon dioxide (CO₂) emission allowances effective as of 1 July 2023 to consider actual emissions of facilities.
- It recognises a financial cost for the lag between the completion of settlement of Electricity Sector regulated activities for the year in which the measures are approved and the date of approval of the final settlement for that year, based on the one-year Euribor rate plus 50 basis points due to the economic impacts arising from the extraordinary measures taken to guarantee security of supply.

Royal Decree 314/2023, of 25 April, which develops the procedure and requirements for the granting of administrative authorisation for closed electricity distribution networks

On 26 April 2023, Royal Decree 314/2023, dated 25 April, was published, which regulates the particular conditions and requirements for closed electricity distribution networks and their owners, as well as the administrative authorisation procedure and the circumstances for its revocation.

In accordance with this provision, an industrial area not exceeding 8 km² in area may be authorised as a closed electricity distribution network, provided that the network distributes electricity to the industrial companies located on that site by means of its own networks.

Industrial consumers will be considered to be those belonging to category B or C of the National Classification of Economic Activities ("C.N.A.E.") and those who, although

belonging to groups D and E, are counted as industrial for statistical purposes.

Up to 100 non-industrial consumers may also participate in the network, provided that they are related to the industries, are inside the network or adjacent to it, and do not represent more than 2% of the total electricity consumption.

The industrial owners of the closed network will have to build it or buy it from a distribution company, and will be responsible for managing it, investing in its maintenance and billing for tolls, charges and other costs to the consumers connected to it, while the traders selling electricity to the members of the closed network will only bill for the energy consumed.

Social Bonus

On 21 January 2023, Order TED/81/2023, of 27 January was published, approving the distribution of the amounts to be financed related to the Social Bonus and the cost of supplying electricity to consumers referred to in articles

52.4.j) and 52.4.k) of Law 24/2013, of 26 December, of the Electricity Sector, corresponding to the year 2023. This Order establishes the different unit values to be paid by the entities obliged to finance these costs.

Energy efficiency

On 25 January 2023, Royal Decree 36/2023 of 24 January was published, establishing a system of Energy Saving Certificates, and a proposal for an Order to develop the system of certificates and a proposal for a catalogue of

standardised measures for energy efficiency actions are also being processed.

On 30 March 2023, Order TED/296/2023, of 27 March, establishing the contribution obligations to the Energy

Efficiency National Fund in 2023, was published, setting for Endesa an equivalent economic amount for 2023 of Euro 49 million, of which at least it must contribute to the Fund

an amount of Euro 30 million (60%). It can meet the rest of its obligation by presenting Energy Savings Certificates ("CAE").

Royal Decree 444/2023, of 13 June, amending Royal Decree 1106/2020 of 15 December, regulating the Statute for Electro-intensive Consumers

This Royal Decree was published on 14 June 2023. It amended the Statute for Electro-intensive Consumers approved in 2020, which regulated the requirements for certain industrial facilities to be eligible for certification as an electro-intensive consumer. The amendment expands the catalogue of eligible activities and reduces certain requirements, thus expanding the number of beneficiaries. It also updates the maximum amount of grants for offsetting the cost associated with the specific remuneration regime for renewable energy and the cost of non-mainland electricity systems included in charges,

from 85% for all activities to: 85% for sectors at significant risk; 75% for sectors at risk (and up to 85% if they can demonstrate that 50% of consumption comes from carbon sources and have entered into forward contracts for 10% of consumption or 5% of consumption with self-consumption from renewable source); or a higher percentage for especially vulnerable facilities (i.e. when electricity cost exceeds certain gross added value -GAV- thresholds). However, in no case may charges borne by beneficiaries be less than or equal to Euro 0.5/MWh.

Addendum to the Recovery, Transformation and Resilience Plan

On 6 June 2023, Spain's Council of Ministers approved the final draft of the addendum expanding the Recovery, Transformation and Resilience Plan ("PRTR") to be sent to the European Commission. The primary objective of the addendum is to strengthen Spain's strategic energy, agri-food, industrial, technological and digital autonomy. The addendum includes a new set of reforms to bolster the Strategic Projects for Economic Recovery and Transformation ("PERTE") and includes newly created funds for channelling loans. Specifically, it includes Euro 84 billion in loans, an addition Euro 7.7 billion in grants and Euro

2.6 billion from the REpowerEU programme, taking total aid under the Recovery, Transformation and Resilience Plan to Euro 160 billion. The addendum included the creation of the Autonomous Community Resilience Fund, endowed with Euro 20 billion to finance major regional projects, added a series of tax relief and credits, and strengthened certain areas of governance. Meanwhile, several additional calls for the presentation of specific projects dealing with certain areas of action in the Recovery Plan were held.

Update of the Spanish National Integrated Energy and Climate Plan 2021-2030 ("PNIEC")

On 28 June 2023, the Council of Ministers agreed to send the first draft update of the Spanish National Integrated Energy and Climate Plan 2021-2030 ("PNIEC") to the European Commission. The proposal includes more ambitious climate and energy targets for 2030. It raises the emissions reduction target from 23% to 32%, the final renewable energy consumption target from 42% to 48%, the target weight of renewables in electricity generation from 74% to 81%, and the final energy consumption reduction target from 41.7% to 44%.

The new plan calls for 62 GW of wind, 76 GW of photovoltaic, 4.8 GW of solar thermal, 1.4 GW of biomass, and 22 GW of storage installed by 2030. In parallel, the Ministry for the Ecological Transition and the Demographic Challenge ("MITECO") launched a public consultation on the draft update with a deadline for contributions of 4 September. The intention is to draw up the final document and send it to the European Commission in June 2024.

Royal Decree 445/2023, of 13 June, amending Annexes I, II and III of Law 21/2013, of 9 December, on environmental assessment

This Royal Decree was published in the Official State Gazette ("BOE") on 14 June 2023. It amends certain annexes of Law 21/2013, of 9 December, on environmental assessment that regulates projects subject to the ordinary and simplified assessment procedure to align them with European legislation and provide greater coherence to and update their content based on the experience built up over the years during which this Law has been in force. Key aspects include:

- It introduces new types of projects subject to environmental impact assessments under the ordinary process, especially those projects with an impact on the energy sector, industry and mining.

- It expands the scope of the simplified assessment process by eliminating several thresholds that excluded some projects from the process. Projects now subject to the simplified assessment process include: standalone energy storage facilities using electrochemical batteries or any technology that is hybridised with electric power facilities; certain repowering of existing power transmission lines; or industrial facilities for the production of electrolytic, photoelectric or photocatalytic hydrogen from renewable sources.

2023 electricity tariff

The Resolution of 15 December 2022 of the Spanish Markets and Competition Commission ("CNMC") was published on 22 December 2022, approving the prices of the access tariffs for energy transmission and distribution grids applicable at 1 January 2023, revealing an average reduction of 1% from the prices in effect at 1 January 2022.

Meanwhile, Order TED/1312/2022, of 23 December, was published on 29 December 2022, approving the electricity system charges that will apply from 1 January 2023 and certain regulated costs of the electricity system that will apply for 2023. On average, the new charges for 2023 are approximately 40% less than those approved on 1 January 2022.

Natural gas tariff for 2023

The Resolution of the Directorate-General for Energy Policy and Mines of 22 December 2022 was published on 28 December 2022, setting out the Last Resort Tariff (LRT) for natural gas to be applied from 1 January 2023. Compared with the provisions of Royal Decree Law 17/2021, of 14 September, this results in an approximate increase of 7.7%, 9% and 9.5%, respectively, for Last Resort Tariff 1 (LRT1), Last Resort Tariff 2 (LRT2) and Last Resort Tariff 3 (LRT3). Meanwhile, the LRTs applicable to communities of owners, as enacted by Royal Decree Law 18/2022 of 18 October, have been reduced by around 2%.

On 30 March 2023, the Resolution of the Directorate-General for Energy Policy and Mines of 28 March of 2023 was published, establishing the Last Resort Tariff (LRT) for natural gas to be applied from 1 April 2023, with decreases of approximately 26.4%, 30.1% and 31.7%, respectively, for

Last Resort Tariff 1 (LRT1), Last Resort Tariff 2 (LRT2) and Last Resort Tariff 3 (LRT3). Meanwhile, the LRT tariffs applicable to communities of owners, as ushered in by Royal Decree Law 18/2022 of 18 October, have been reduced by between 48.7% and 57.3%.

Lastly, on 29 June 2023, the Resolution of the Directorate-General for Energy Policy and Mines of 27 June 2023, establishing the Last Resort Tariff (LRT) for natural gas to be applied from 1 July 2023, with decreases of approximately 2.3%, 2.8% and 3.0%, respectively, for the Last Resort Tariff 1 (LRT1), Last Resort Tariff 2 (LRT2) and the Last Resort Tariff 3 (LRT3). Meanwhile, the LRT tariffs applicable to communities of owners, as ushered in by Royal Decree Law 18/2022 of 18 October, have been reduced by between 3.4% and 5%.

Regulatory framework in Europe

Measures to combat high energy prices

On 14 March 2023, the European Commission adopted its proposals on the reform of the electricity market, which are to be discussed in the European Parliament and the Council. The main features of the proposals are as follows:

- Promotion of renewables (and clean technologies) to protect customers from price volatility by boosting PPAs and using Contracts for Differences (CfDs) for new wind, solar, geothermal, hydroelectric and nuclear projects, as well as repowering, extending or lengthening useful life.
- Strengthening of flexibility mechanisms, with indicative targets and the ability for Member States to introduce support systems for demand response and storage.
- More protection for consumers: With issues such as the establishment of hedging obligations for marketers to reduce exposure to market volatility; the creation of suppliers of last resort; enabling Member States, in the event of a crisis, to extend regulated retail prices to households and SMEs; or reinforcing the prohibition on disconnecting vulnerable consumers.

In addition, on 28 March 2023, the Council resolved to extend for an additional year (from 1 April 2023 to 31 March

2024) the voluntary measure of Member States reducing gas demand by 15% included in Council Regulation 2022/1369 of 5 August 2022.

On 5 June 2023, the European Commission published its report on the review of emergency interventions to address high energy prices in accordance with Council Regulation (EU) 2022/1854, with measures to reduce electricity demand, a revenue cap on 'inframarginal' power producers and retail price setting intervention. In that report, the European Commission said it did not see a need to prolong the measures.

Elsewhere, on 14 March 2023 the European Commission adopted a proposal to amend the Regulation on wholesale energy market integrity and transparency (REMIT). The proposal considerably expands the powers of the European Union Agency for the Cooperation of Energy Regulators (ACER), granting it sanctioning and investigative powers. The proposal also attempts to define terms like inside information and market participant. Meanwhile, it introduces new provisions, taken from the Market Abuse Regulation, duplicating in certain cases the obligations of market participants.

Financial regulation

On 7 December 2022, the European Commission adopted a proposal to amend the Regulation on OTC derivatives, central counterparties and trade repositories (EMIR). The main changes include the calculation of positions towards the clearing threshold. The proposal also states only those derivatives that are not cleared at an authorised central counterparty (CCP) or a CCP recognised under European

Union law should be included in the calculation. Moreover, the proposal introduces other changes, such as the elimination of the exemption from reporting intragroup transactions. It also allows CCPs to accept highly liquid commercial bank and public bank guarantees as eligible collateral, provided that they are unconditionally available upon request within the liquidation period.

Sustainable finance

On 13 June 2023, the European Commission approved a new set of European Union (EU) taxonomy criteria for economic activities that make a substantial contribution to one or more of the non-climate environmental objectives:

the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems.

6. Changes in the consolidation scope

6.1. Subsidiaries

Inclusions

The following subsidiaries were included in the scope of consolidation in the six-month periods ended 30 June 2023 and 2022:

Company	Transaction	Date	Activity	Inclusions of companies January-June 2023				Inclusions of companies January-June 2022			
				Shareholding at 30 June 2023 (%)		Shareholding at 31 December 2022 (%)		Shareholding at 30 June 2022 (%)		Shareholding at 31 December 2021 (%)	
				Control	Económico	Control	Económico	Control	Económico	Control	Económico
Endesa Mobility, S.L.U. (1)	Incorporation	26 January 2023	Mobility	100.00	100.00	—	—	—	—	—	—
Stonewood Desarrollos, S.L.U. (2)	Acquisition	17 February 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Arena Green Power 1, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Arena Green Power 2, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Arena Green Power 3, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Arena Green Power 4, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Arena Green Power 5, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Enigma Green Power 1, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Shark Power, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Shark Power Ren 4, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Shark Power Ren 5, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Shark Power Ren 6, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Shark Power Ren 7, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Shark Power Ren 8, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Shark Power Ren 9, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—
Shark Power Ren 10, S.L.U. (2)	Acquisition	14 June 2022	Photovoltaic	100.00	100.00	100.00	100.00	100.00	100.00	—	—

⁽¹⁾ Company incorporated by Endesa, S.A. On 24 January 2023, the Board of Directors of Endesa, S.A. authorised the start of a corporate restructuring process consisting of the spin-off of the electric mobility business owned by Endesa X Servicios S.L.U., including the 49% stake in the share capital of Endesa X Way, S.L. to Endesa Mobility, S.L.U. Subsequently, on 26 January 2023, the company Endesa Mobility, S.L.U. was incorporated, under the sole ownership of Endesa, S.A. Lastly, on 3 April, the deed of the aforementioned spin-off was registered.

⁽²⁾ Companies acquired by Enel Green Power España, S.L.U. (EGPE) for a total of Euro 26 million, of which Euro 2 million are outstanding at 30 June 2023.

Changes

No changes occurred in the percentage control and economic stake in the six months ended 30 June 2023.

The following changes occurred in the percentage control and economic stake of the following subsidiaries in the six-month period ended 30 June 2022:

Company	Transaction	Activity	Changes in companies January-June 2022			
			Shareholding at 30 June 2022 (%)		Shareholding at 31 December 2021 (%)	
			Control	Economic	Control	Economic
Energías Especiales de Careón, S.A. ⁽¹⁾	Acquisition	Photovoltaic	97.00	97.00	77.00	77.00
Energías Especiales de Peña Armada, S.A.U. ⁽¹⁾	Acquisition	Photovoltaic	100.00	100.00	80.00	80.00

⁽¹⁾ Stakes acquired by Enel Green Power España, S.L.U. (EGPE) for Euro 9 million, of which Euro 7 million related to the price of the ownership interest and Euro 2 million to the assumption of debt owed by the companies to their former owners. These transactions had no impact on the consolidated income statement and had an effect on equity of Euro 7 million, of which Euro 3 million related to equity of non-controlling interests and Euro 4 million to equity of the parent (see Note 40.3).

Exclusions

The following subsidiaries were excluded from the consolidation scope in the six-month period ended 30 June 2023:

Company	Transaction	Activity	Changes in companies January-Jun 2023			
			Shareholding at 30 June 2023 (%)		Shareholding at 31 December 2022 (%)	
			Economic		Control	Economic
Xaloc Solar, S.L.U. ⁽¹⁾	Sale	Photovoltaic	—	—	100.00	100.00
Endesa Comercialização de Energia, S.A.	Dissolution	Supply	—	—	100.00	100.00

⁽¹⁾ On 23 March 2023, Enel Green Power España, S.L.U. (EGPE) formalised the sale of the stake in this company for an amount of Euro 2 million that were paid through the set-off of receivables with the buyer. The gross result on the sale is less than Euro 1 million, negative.

No subsidiaries were excluded from the consolidation scope in the six-month period ended 30 June 2022.

Mergers

No subsidiaries included in the consolidation scope merged in the six-month period ended 30 June 2023.

In the six-month period ended 30 June 2022, the following mergers between subsidiaries were carried out:

Absorbing company	Merger date	Absorbed company	Changes in companies January–June 2022			
			Shareholding at 30 June 2022 (%) (Absorbed company)		Shareholding at 31 December 2021 (%) (Absorbed company)	
			Control	Economic	Control	Economic
Enel Green Power España, S.L.U. (EGPE)	15 June 2022	Castiblanco Solar, S.L.U.	–	–	100.00	100.00
	15 June 2022	Coquina Solar, S.L.U.	–	–	100.00	100.00
	15 June 2022	Navalvillar Solar, S.L.U.	–	–	100.00	100.00
	15 June 2022	Valdecaballero Solar, S.L.U.	–	–	100.00	100.00
	22 June 2022	Parque Eólico Tico, S.L.U.	–	–	100.00	100.00

6.2. Associates

Inclusions

The following associates were included in the consolidation scope in the six-month periods ended 30 June 2023 and 2022:

Company	Note	Transaction	Activity	Inclusions of companies January–June 2023				Inclusions of companies January–June 2022			
				Shareholding at 30 June 2023 (%)		Shareholding at 31 December 2022 (%)		Shareholding at 30 June 2022 (%)		Shareholding at 31 December 2021 (%)	
				Control	Economic	Control	Economic	Control	Economic	Control	Economic
Renovables Brovales Segura de León 400 KV, S.L. ⁽¹⁾	23	Incorporation	Photovoltaic	64.05	64.05	–	–	–	–	–	–
María Renovables, S.L. ⁽¹⁾	23	Incorporation	Photovoltaic	45.36	45.36	–	–	–	–	–	–
Endesa X Way, S.L. ⁽²⁾	23	Incorporation and sale	Electric mobility	49.00	49.00	49.00	49.00	49.00	49.00	–	–
Energías Limpias de Carmona, S.L. ⁽¹⁾	23	Incorporation	Photovoltaic	18.75	18.75	18.75	18.75	18.75	18.75	–	–
Evacuación Carmona 400-220 KV Renovables, S.L. ⁽¹⁾	23	Incorporation	Photovoltaic	9.39	9.39	9.39	9.39	9.39	9.39	–	–
Instalaciones San Serván II 400, S.L. ⁽¹⁾	23	Acquisition	Photovoltaic	23.81	23.81	23.81	23.81	23.81	23.81	–	–
Promotores Mudéjar 400kV, S.L. ⁽¹⁾	23	Incorporation	Photovoltaic	37.19	37.19	37.19	37.19	37.19	37.19	–	–
Renovables Brovales 400kV, S.L. ⁽¹⁾	23	Incorporation	Photovoltaic	64.15	64.15	64.15	64.15	64.15	64.15	–	–
Seccionadora Almodóvar Renovables, S.L. ⁽¹⁾	23	Incorporation	Photovoltaic	37.50	37.50	37.50	37.50	37.50	37.50	–	–
Set Carmona 400 KV Renovables, S.L. ⁽¹⁾	23	Incorporation	Photovoltaic	16.00	16.00	16.00	16.00	16.00	16.00	–	–

⁽¹⁾ Companies formed directly and/or indirectly by Enel Green Power España, S.L.U. (EGPE) for a total amount of less than Euro 1 million.

⁽²⁾ On 9 February 2022, Endesa Movilidad Eléctrica, S.L.U. (currently Endesa X Way, S.L.), wholly owned by Endesa X Servicios, S.L.U., was incorporated. Subsequently, on 4 April 2022, the partial spin-off of Endesa X Servicios, S.L.U. was formalised, whereby the electric mobility management business unit, which includes the provision of the electric vehicle charging station management service and related activities, was transferred to Endesa X Way, S.L. On 29 April 2022, Endesa X Servicios, S.L.U. sold a 51% stake in Enel X Way, S.L. to Enel X Way, S.r.L. (the Enel Group company that is the parent company of the electric mobility business) for Euro 122 million, generating a gain of Euro 121 million (see Notes 12, 40.2 and 41.1).

Changes

In the six-month periods ended 30 June 2023 and 2022, the following changes occurred in the percentage of control and economic stake at the following associates included within the consolidation scope:

Note	Transaction	Activity	Changes in companies January-June 2023				Changes in companies January-June 2022			
			Shareholding at 30 June 2023 (%)		Shareholding at 31 December 2022 (%)		Shareholding at 30 June 2022 (%)		Shareholding at 31 December 2021 (%)	
			Control	Economic	Control	Economic	Control	Economic	Control	Economic
Solana Renovables, S.L. ⁽¹⁾⁽²⁾	23 Sale	Photovoltaic	39.90	39.90	49.84	49.84	49.84	49.84	49.84	49.84
Renovables Manzanares 400 KV, S.L. ⁽¹⁾	23 Acquisition	Photovoltaic	43.98	43.98	43.98	43.98	43.98	43.98	27.86	27.86

⁽¹⁾ Companies owned directly and indirectly by Enel Green Power España, S.L.U. (EGPE) for a total amount of Euro 1 million.

⁽²⁾ The magnitudes of this company and transaction are not material.

Exclusions

No associate was excluded from the consolidation scope in the six-month period ended 30 June 2023.

The following associates were excluded from the consolidation scope in the six-month period ended 30 June 2022:

Company ⁽¹⁾	Note	Transacción	Actividad	Exclusions of companies January-June 2022			
				Shareholding at 30 June 2022 (%)		Shareholding at 31 December 2021 (%)	
				Control	Economic	Control	Economic
Boiro Energía, S.A.	23	Sale	Renewable energies	—	—	40.00	40.00
Depuración Destilación Reciclaje, S.L.	23	Sale	Renewable energies	—	—	40.00	40.00

⁽¹⁾ On 2 June 2022, Enel Green Power España, S.L.U. (EGPE) sold its stake in these companies for a total of Euro 14 million. The gross gain generated on the sale amounted to Euro 1 million, positive (see Notes 12 and 40.2).

6.3. Joint arrangements

6.3.1. Joint operations

Inclusions, changes and exclusions

There were no inclusions, changes in percentage control and economic stake or exclusions of any joint operations from the consolidation scope in the six-month periods ended 30 June 2023 and 2022.

6.3.2. Joint Ventures

Inclusions

The following joint ventures were included in the consolidation scope in the six-month periods ended 30 June 2023 and 2022:

Company	Notes	Transaction	Activity	Inclusions of companies January – June 2023				Inclusions of companies January – June 2022			
				Shareholding at 30 June 2023 (%)		Shareholding at 31 December 2022 (%)		Shareholding at 30 June 2022 (%)		Shareholding at 31 December 2021 (%)	
				Control	Economic	Control	Economic	Control	Economic	Control	Economic
Grineo Gestión Circular, S.L. ⁽¹⁾	23	Incorporation	Services	35.00	35.00	–	–	–	–	–	–
Infraestructura de Evacuación Peñaflo 220 KV, S.L. ⁽²⁾	23	Incorporation	Photovoltaic	41.14	41.14	41.14	41.14	41.14	41.14	–	–
Infraestructuras San Serván Set 400, S.L. ⁽²⁾	23	Acquisition	Photovoltaic	33.33	33.33	33.33	33.33	33.33	33.33	–	–
Rebuilding Agente Rehabilitador, S.L. ⁽³⁾	23	Incorporation	Infrastructure and services	50.00	50.00	50.00	50.00	50.00	50.0	–	–

⁽¹⁾ Company incorporated by Endesa Generation, S.A.U. for a non-material amount.

⁽²⁾ Companies incorporated/acquired directly and/or indirectly by Enel Green Power España, S.L.U. (EGPE) for an amount of less than Euro 1 million.

⁽³⁾ Company incorporated by Endesa X Servicios, S.L.U. for an immaterial amount.

Changes and exclusions

There were no changes in the percentage control and economic stake or exclusions of joint ventures from the consolidation scope in the six-month periods ended 30 June 2023 and 2022.

7. Segment information

7.1. Basis of segmentation

In carrying out its business activities, Endesa's organisation prioritises its core business of electricity and gas generation, distribution, and supply, as well as related services. Therefore, segment information is based on the approach used by the Company's Executive Management Committee to monitor performance and includes:

- Generation, together with Supply;
- Distribution;
- Structure, mainly including the balances and transactions of holding companies of the holdings and of the financing and service provision companies; and

- Consolidation adjustments and eliminations, including inter-segment consolidation eliminations and adjustments.




Inter-segment transactions are part of normal business activities in terms of their purpose and terms and conditions.

External customers did not represent 10% or more of the revenue of any Endesa segment for the six months ended 30 June 2023 and 2022.

7.2. Segment information




7.2.1. Segment information: Consolidated income statement and investments for the January–June 2023 and 2022 periods

Millions of Euro

	January–June 2023				
	Generation and Supply	Distribution	Structure and Services	Consolidated adjustments and eliminations	Total
					
REVENUE	11,952	1,261	233	(325)	13,121
External revenues	11,936	1,180	5	–	13,121
Inter-segment revenues	16	81	228	(325)	–
PROCUREMENTS AND SERVICES	(7,848)	(77)	(209)	77	(8,057)
INCOME AND EXPENSES FROM ENERGY COMMODITY DERIVATIVES	(1,506)	–	–	–	(1,506)
CONTRIBUTION MARGIN	2,598	1,184	24	(248)	3,558
FIXED OPERATING COSTS AND OTHER GAINS AND LOSSES	(823)	(282)	(225)	248	(1,082)
GROSS OPERATING INCOME (EBITDA)	1,775	902	(201)	–	2,476
Depreciation and amortisation and impairment losses on non-financial assets	(484)	(346)	(23)	–	(853)
Depreciation and amortisation	(483)	(346)	(23)	–	(852)
Provision for impairment of non-financial assets	(1)	–	–	–	(1)
Reversal of impairment of non-financial assets	–	–	–	–	–
Impairment losses on financial assets	(106)	4	–	–	(102)
Provision for impairment of financial assets	(168)	(36)	–	–	(204)
Reversal of impairment of financial assets	62	40	–	–	102
OPERATING INCOME (EBIT)	1,185	560	(224)	–	1,521
Share of profit/(loss) of companies accounted for using the equity method	7	3	–	–	10
INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS⁽¹⁾	671	421	12	–	1,104

⁽¹⁾ Includes additions of Euro 59 million of right-of-use assets (Euro 48 million in Generation and Retail, Euro 5 million in Distribution, and Euro 6 million in Structure and Services) (see Note 19).

Millions of Euro




	January-June 2022				
	Generation and Supply	Distribution	Structure and Services	Consolidated adjustments and eliminations	Total
					
REVENUE	13,719	1,222	217	(307)	14,851
External revenues	13,699	1,148	4	–	14,851
Inter-segment revenues	20	74	213	(307)	–
PROCUREMENTS AND SERVICES	(11,121)	(75)	170	70	(10,956)
INCOME AND EXPENSES FROM ENERGY COMMODITY DERIVATIVES	(924)	–	1	–	(923)
CONTRIBUTION MARGIN	1,674	1,147	388	(237)	2,972
FIXED OPERATING COSTS AND OTHER GAINS AND LOSSES	(528)⁽¹⁾	(273)	(220)	237	(784)
GROSS OPERATING INCOME (EBITDA)	1,146	874	168	–	2,188
Depreciation and amortisation and impairment losses on non-financial assets	(439)	(326)	(26)	–	(791)
Depreciation and amortisation	(436)	(326)	(26)	–	(788)
Provision for impairment of non-financial assets	(3)	–	–	–	(3)
Reversal of impairment of non-financial assets	–	–	–	–	–
Impairment losses on financial assets	(78)	(3)	–	–	(81)
Provision for impairment of financial assets	(144)	(47)	–	–	(191)
Reversal of impairment of financial assets	66	44	–	–	110
OPERATING INCOME (EBIT)	629	545	142	–	1,316
Share of profit/(loss) of companies accounted for using the equity method	12	1	–	–	13
INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS⁽²⁾	557	389	9	–	955

⁽¹⁾ Includes the gross gain generated by the sale of the 51% stake of Endesa X Way, S.L. to Enel Way, S.r.l. and recognition of the retained interest (49%) at fair value, following the loss of control in that company, for a total amount of Euro 238 million.

⁽²⁾ Includes additions of right-of-use assets for Euro 20 million (Euro 19 million in Generation and Supply and Euro 1 million in Distribution) (see Note 19).

7.2.2. Segment information: Statement of financial position at 30 June 2023 and 31 December 2022

Millions of Euro




	30 June 2023				
	Generation and Supply	Distribution	Structure and Services	Consolidated adjustments and eliminations	Total
					
Property, plant and equipment⁽¹⁾	9,824	12,437	155	–	22,416
Intangible assets	1,425	213	31	–	1,669
Goodwill	361	97	4	–	462
Investments accounted for using the equity method	266	14	3	–	283
Non-current assets from contracts with customers	–	–	–	–	–
Trade receivables	4,120	655	436	(403)	4,808
Current assets from contracts with customers	–	7	–	–	7
Other⁽²⁾	1,042	591	8	–	1,641
SEGMENT ASSETS	17,038	14,014	637	(403)	31,286
TOTAL ASSETS					42,792
Non-current liabilities from contracts with customers	12	4,269	–	–	4,281
Non-current provisions	1,990	542	184	–	2,716
Provisions for employee benefits	114	122	26	–	262
Other non-current provisions	1,876	420	158	–	2,454
Current liabilities from contracts with customers	5	306	–	–	311
Current provisions	538	86	145	–	769
Provisions for employee benefits	–	–	–	–	–
Other current provisions	538	86	145	–	769
Trade payables	3,262	1,361	1,829	(403)	6,049
Other⁽³⁾	131	676	9	–	816
SEGMENT LIABILITIES	5,938	7,240	2,167	(403)	14,942
TOTAL LIABILITIES					42,792

⁽¹⁾ Includes right-of-use assets for Euro 771 million (Euro 671 million in Generation and Supply, Euro 26 million in Distribution and Euro 74 million in Structure and Services) (see Note 19).

⁽²⁾ Includes investment properties amounting to Euro 59 million (Euro 57 million in Distribution and Euro 2 million in Structure and Services), inventories amounting to Euro 1,230 million (Euro 1,006 million in Generation and Supply and Euro 224 million in Distribution) (see Note 28), and other non-current assets amounting to Euro 352 million (Euro 36 million in Generation and Supply, Euro 310 million in Distribution and Euro 6 million in Structure and Services) (see Note 26).

⁽³⁾ Includes government grants of Euro 233 million (Euro 36 million in Generation and Supply and Euro 197 million in Distribution) and other non-current liabilities of Euro 583 million (Euro 95 million in Generation and Supply, Euro 479 million in Distribution and Euro 9 million in Structure and Services) (see Note 34).

Millions of Euro

	31 December 2022				
	Generation and Supply	Distribution	Structure and Services	Consolidated adjustments and eliminations	Total
					
Property, plant and equipment⁽¹⁾	9,808	12,371	159	–	22,338
Intangible assets	1,388	209	39	–	1,636
Goodwill	361	97	4	–	462
Investments accounted for using the equity method	259	12	3	–	274
Non-current assets from contracts with customers	–	–	–	–	–
Trade receivables	4,969	677	232	(406)	5,472
Current assets from contracts with customers	–	8	–	–	8
Other⁽²⁾	1,951	531	3	–	2,485
SEGMENT ASSETS	18,736	13,905	440	(406)	32,675
TOTAL ASSETS					50,067⁽³⁾
Non-current liabilities from contracts with customers	13	4,287	–	–	4,300
Non-current provisions	2,185	578	201	–	2,964
Provisions for employee benefits	121	131	26	–	278
Other non-current provisions	2,064	447	175	–	2,686
Current liabilities from contracts with customers	9	285	–	–	294
Current provisions	1,002	86	148	–	1,236
Provisions for employee benefits	–	–	–	–	–
Other current provisions	1,002	86	148	–	1,236
Trade payables	5,257	1,120	248	(406)	6,219
Other⁽⁴⁾	139	681	6	–	826
SEGMENT LIABILITIES	8,605	7,037	603	(406)	15,839
TOTAL LIABILITIES					50,067⁽³⁾

⁽¹⁾ Includes rights-of-use assets amounting to Euro 782 million (Euro 683 million in Generation and Supply, Euro 25 million in Distribution and Euro 74 million in Structure and Services) (see Note 19).

⁽²⁾ It includes investment properties amounting to Euro 59 million (Euro 57 million in Distribution and Euro 2 million euro in Structure and Services), inventories amounting to Euro 2,122 million (Euro 1,930 million in Generation and Supply and Euro 192 million in Distribution) (see Note 28), and other non-current assets amounting to Euro 304 million (Euro 18 million in Generation and Supply, Euro 283 million in Distribution and Euro 3 million in Structure and Services) (see Note 26).

⁽³⁾ See Note 2.

⁽⁴⁾ Includes grants of Euro 238 million (Euro 36 million in Generation and Supply and Euro 202 million in Distribution) and other non-current liabilities of Euro 588 million (Euro 102 million in Generation and Supply, Euro 478 million in Distribution and Euro 8 million in Structure and Services) (see Note 34).

Reconciliation of segment assets and segment liabilities to total assets and total liabilities at the consolidated statement of financial position at 30 June 2023 and 31 December 2022:

Millions of Euro

	Notes	At 30 June 2023	At 31 December 2022
TOTAL ASSETS	2	42,792	50,067
Other non-current financial assets	25	769	1,160
Derivative financial instruments		731	1,249
Deferred tax assets	2 and 22	2,020	2,660
Current income tax assets	29	348	49
Other tax assets	29	170	166
Other current financial assets	27	5,332	8,677
Derivative financial instruments		1,412	2,533
Cash and cash equivalents	30	697	871
Non-current assets held for sale and discontinued operations		27	27
SEGMENT ASSETS		31,286	32,675
TOTAL LIABILITIES	2	42,792	50,067
Equity	2 and 32	6,416	5,758
Non-current borrowings		13,151	11,704
Derivative financial instruments	373	1,112	2,408
Other non-current financial liabilities		—	—
Deferred tax liabilities	35	1,255	1,425
Current borrowings	2 and 22	1,314	6,784
Derivative financial instruments	373	2,881	4,990
Other current financial liabilities		85	51
Current income tax liabilities	35	991	544
Other tax liabilities	36	645	564
Liabilities associated with non-current assets held for sale and discontinued operations	36	—	—
SEGMENT LIABILITIES		14,942	15,839

7.2.3. Segment information: Consolidated statement of cash flows for the January–June 2023 and 2022 periods

Millions of Euro

Estado de Flujos de Efectivo	January–June 2023			
	Generation and Supply	Distribution	Structure, Services and Other ⁽¹⁾	Total
Net cash flows from/(used in) operating activities	1,027	1,132	(544)	1,615
Net cash flows from/(used in) investing activities	4,297	(557)	(1,428)	2,312
Net cash flows from/(used in) financing activities	(5,363)	(576)	1,838	(4,101)

⁽¹⁾ Structure, Services and Adjustments.

Millions of Euro

Statement of cash flows	January–June 2022			
	Generation and Supply	Distribution	Structure, Services and Other ⁽¹⁾	Total
Net cash flows from/(used in) operating activities	(1,046)	868	9	(169)
Net cash flows from/(used in) investing activities	(3,630)	(421)	327	(3,724)
Net cash flows from/(used in) financing activities	4,743	(447)	(907)	3,389

⁽¹⁾ Structure, Services and Adjustments.

7.3. Information by geographical area

7.3.1. Geographical area reporting: Revenue from external customers and other operating income of external customers by geographical area in the January–June 2023 and 2022 periods

Millions of Euro

Country	January–June 2023		
	Revenue from sales and services	Other operating income	Revenue
Spain	10,637	222	10,859
France	779	1	780
Portugal	473	1	474
Luxembourg	370	–	370
Germany	234	–	234
Singapore	147	–	147
Switzerland	138	2	140
United Kingdom	66	–	66
Netherlands	16	–	16
Italy	2	–	2
Other	33	–	33
TOTAL	12,895	226	13,121

Millions of Euro

Country	January–June 2022		
	Revenue from sales and services	Other operating income	Revenue
Spain	12,983	134	13,117
Portugal	840	–	840
Italy	6	1	7
France	598	14	612
Germany	221	–	221
Netherlands	15	–	15
Other	39	–	39
TOTAL	14,702	149	14,851

8. Revenue

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	Notes	January–June 2023	January–June 2022
Revenue from sales and services	8.1	12,895	14,702
Other operating income	8.2	226	149
TOTAL	7.2 and 7.3	13,121	14,851

8.1. Revenue from sales and services

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro		
	January-June 2023	January-June 2022
Electricity sales	8,184	10,355
Sales to the deregulated market	5,931	6,625
Sales to the Spanish deregulated market	5,253	5,868
Sales to customers in deregulated markets outside Spain	678	757
Sales at regulated prices	716	1,609
Wholesale market sales	851	1,725
Compensation from Non-mainland Territories ("TNP")	686	351
Remuneration for investment in renewable energies	—	27
Other electricity sales	—	18
Gas sales	3,250	2,990
Sales to the deregulated market	3,111	2,914
Sales at regulated prices	139	76
Regulated revenue from electricity distribution	1,003	1,012
Verifications and clips	17	17
Rendering of services at facilities	21	11
Other sales and services rendered	416	315
Sales related to value added services	191	179
Proceeds due to capacity	7	9
Sales of other energy stocks	89	6
Provision of services and others	129	121
Lease revenue	4	2
TOTAL	12,895⁽¹⁾	14,702⁽²⁾

⁽¹⁾ Includes Euro 12,859 million relating to revenue from contracts with customers in 2023, of which Euro 11,908 million correspond to performance obligations that Endesa satisfies over time and Euro 951 million to performance obligations that Endesa satisfies at a point in time.

⁽²⁾ Included Euro 14,692 million relating to revenue from contracts with customers in 2022, of which Euro 14,131 million corresponded to performance obligations that Endesa satisfies over time and Euro 561 million to performance obligations that Endesa satisfies at a point in time.

8.2. Other operating income

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro			
	Notes	January-June 2023	January-June 2022
Charge to profit or loss of facilities transferred from customers, connection extension rights and other liabilities from contracts with customers	24.2	87	84
Imputación a Resultados de Subvenciones		56	34
Guarantees of Origin and other environmental certificates ⁽¹⁾		47	12
Other amounts recognised in profit or loss ⁽²⁾		9	22
Third party compensation		7	(16) ⁽³⁾
Other		76 ⁽⁴⁾	47
TOTAL⁽⁵⁾		226	149

⁽¹⁾ Corresponds primarily to Guarantees of Origin generated in relation to the production of energy from own installations making use of renewable resources.

⁽²⁾ In the first half of 2023, it included Euro 8 million relating to grants related to assets and Euro 1 million of grants related to income (Euro 8 million and Euro 14 million, respectively, in the first half of 2022).

⁽³⁾ Included re-settlements of the distribution activity recorded in 2021 amounting to Euro 29 million.

⁽⁴⁾ Includes Euro 20 million for updating decommissioning provisions relating mainly to coal-fired mainland power plants.

⁽⁵⁾ Includes Euro 99 million relating to revenue from customer contracts in the six months ended 30 June 2023 (2022: Euro 96 million).

9. Procurements and services

9.1. Power purchases

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro		
	January-June 2023	January-June 2022
Electricity	2,209	4,414
Energy commodities	1,525	2,131
TOTAL	3,734	6,545

9.2. Fuel consumption

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro		
	January-June 2023	January-June 2022
Energy commodities		
Coal	23	63
Nuclear fuel	49	56
Fuel oil	628	680
Gas	534	798
TOTAL	1,234	1,597

9.3. Other variable procurements and services

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro			
	Notes	January-June 2023	January-June 2022
Taxes and charges		667	419
Temporary Energy Tax	5	208 ⁽¹⁾	-
Tax on electricity production	5	(1)	(2)
Rate for the treatment of radioactive waste		102	110
Street lighting / works licences		120	149
Nuclear charges and taxes		58	53
Catalonia environmental tax		72	67
Water tax		20	1
Other taxes and charges		88	41
Social Bonus	5 and 44	123	(121)
Consumption of carbon dioxide (CO ₂) emission allowances		426	374
Consumption of Guarantees of Origin and other environmental certificates		66	9
Costs related to value added services		94	95
Purchases of other energy stocks		67	4
Other		160	109
TOTAL		1,603	889

⁽¹⁾ Includes the recognition of the expense associated with the temporary energy levy introduced by Law 38/2022 of 27 December for the establishment of temporary energy levies and levies on credit institutions and financial credit establishments and which creates the temporary solidarity tax on large fortunes and amends certain tax regulations (see Note 5).

10. Income and expenses from energy commodity derivatives

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	January-June 2023	January-June 2022
Income		
Income from derivatives designated as hedging instruments	1,462	1,535
Income from cash flow hedging derivatives ⁽¹⁾	1,462	1,535
Income from derivatives at fair value through profit and loss	245	2,953
Income from fair value hedges recognised in profit or loss	245	2,953
Total income	1,707	4,488
Expenses		
Expenses from derivatives designated as hedging instruments	(2,206)	(1,967)
Expenses from cash flow hedging derivatives ⁽¹⁾	(2,206)	(1,967)
Expenses from derivatives at fair value through profit or loss	(1,007)	(3,444)
Expenses from fair value hedges recognised in profit or loss	(1,007)	(3,444)
Total expenses	(3,213)	(5,411)
TOTAL	(1,506)	(923)

⁽¹⁾ At 30 June 2023, it included a Euro 113 million (positive) impact on consolidated profit or loss due to hedge ineffectiveness (2022: Euro 65 million (negative)).

11. Fixed operating expenses

11.1. Personnel expenses

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Wages and salaries		369	365
Contributions to pension schemes	33.1	29	28
Provisions for workforce restructuring plans		11	10
Provisions for collective redundancy procedures	33.2	—	(1)
Provisions for contract suspensions	33.2	11	11
Other personnel expenses/employee benefits expense		111	96
TOTAL		520	499

Information on average and final headcount is provided in Note 43.

11.2. Other fixed operating expenses

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	January-June 2023	January-June 2022
Repairs and maintenance	151	141
Insurance premiums	32	28
Independent professional services and external services	43	39
Leases and royalties	15	14
Taxes and charges	93	85
Travel expenses	9	6
IT system and software support services	78	85
Disciplinary proceedings	8	5
Other	282	257
TOTAL	711	660

12. Other results

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Proceeds from sale of equity investments in group companies and others:		–	239
Stake of 51% in Endesa X Way, S.L.	6.2 and 41.1	–	121 ⁽¹⁾
Gains/(losses) recognised as a result of the loss of control of Compañía Endesa X Way, S.L.		–	117 ⁽¹⁾
Stakes of 40% in Compañía Boiro Energía, S.A. and Depuración Destilación Reciclaje, S.L.	6.2	–	1
Non-current asset disposals⁽²⁾		2	2
TOTAL		2	241

⁽¹⁾ Euro 182 million, net of the tax effect.

⁽²⁾ Relates to gross gains generated by the sale of land and real estate.

13. Depreciation and amortisation, and impairment losses

13.1. Depreciation and amortisation, and impairment losses on non-financial assets

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
DEPRECIATION AND AMORTISATION	7.2.1	852	788
Provision for the depreciation of property, plant and equipment	18	700	658
Provision for the amortisation of intangible assets	20	152	130
IMPAIRMENT LOSSES ON NON-FINANCIAL ASSETS	7.2.1	1	3
Provision for impairment losses		1	3
Provision for impairment losses on property, plant and equipment and investment property	18	1	1
Provision for impairment losses on intangible assets	20	—	2
TOTAL		853	791

13.2. Impairment losses on financial assets

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Provision for impairment losses	7.2.1 and 38.3	204	191
Provision for impairment losses on receivables from contracts with customers	29	204	191
Provision for impairment losses on other financial assets		—	—
Reversal of impairment losses	7.2.1 and 38.3	(102)	(110)
Reversal of impairment losses on receivables from contracts with customers	29	(102)	(109)
Reversal of impairment losses on other financial assets		—	(1)
TOTAL		102	81

14. Financial profit/(loss)

14.1. Financial profit/(loss) excluding derivative financial instruments

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Finance income		25	125
Income from financial assets at amortised cost		4	—
Income from financial assets and liabilities at fair value through profit or loss ⁽¹⁾	14.2	1	40
Income from workforce restructuring plans	33.2	4	52
Other finance income ⁽²⁾		16	33
Finance expenses		(318)	(114)
Expenses for financial liabilities at amortised cost		(240)	(84)
Expenses for financial assets and liabilities at fair value through profit or loss ⁽¹⁾	14.2	(5)	—
Post-employment benefit obligations	33.1	(5)	(4)
Expenses of workforce restructuring plans	33.2	(13)	(3)
Expenses for other provisions	33.3	(27)	(8)
Capitalised finance expenses		3	2
Expenses for impairment losses on other financial assets		2	(3)
Gains/(losses) on disposal of financial assets	29	(22)	(14)
Other finance expenses		(11)	—
Exchange differences		20	(28)
Positive		63	27
Negative		(43)	(55)
TOTAL		(273)	(17)

⁽¹⁾ The entire amount relates to the remeasurement at fair value of financial liabilities underlying a fair value hedge (see Note 14.2).

⁽²⁾ In the first half of 2023 and 2022, Euro 2 million and Euro 14 million, respectively, are recognised as late-payment interest as a result of the recognition of Endesa, S.A. to be indemnified for the amounts paid for financing and co-financing with the public authorities of the Social Bonus throughout the term of the third financing scheme of the Social Bonus, so that all amounts paid are reimbursed to the plaintiff, less any amounts passed on to customers (see Note 9.3).

14.2. Finance income and expenses from derivative financial instruments

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Income			
Income from derivatives designated as hedging instruments	^{14.1}	18	3
Income from cash flow hedging derivatives		11	—
Income from fair value hedging derivatives		7	3
Income from derivatives at fair value through profit and loss		—	(4)
Income from derivatives at fair value through profit and loss		—	(4)
Total income		18	(1)
Expenses			
Expenses from derivatives designated as hedging instruments	^{14.1}	(16)	(41)
Expenses from cash flow hedging derivatives		(3)	(4)
Expenses from fair value hedging derivatives		(13)	(37)
Expenses from derivatives at fair value through profit or loss		1	3
Expenses from derivatives at fair value through profit and loss		1	3
Total expenses		(15)	(38)
TOTAL		3	(39)

15. Share of profit/(loss) of companies accounted for using the equity method

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Associates	²³	1	10
Energías Especiales del Bierzo S.A.		1	3
Gorona del Viento El Hierro, S.A.		–	1
Compañía Eólica Tierras Altas, S.A.		2	2
Endesa X Way, S.L.		(2)	–
Boiro Energía, S.A.		–	2
Other		–	2
Joint ventures	²³	9	3
Énergie Électrique de Tahaddart, S.A.		2	–
Suministradora Eléctrica de Cádiz, S.A.		1	–
Other		6	3
TOTAL		10	13

16. Income tax

The breakdown of this item in the consolidated income statement for the six months ended 30 June 2023 and 2022 is as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Current income tax for the period		393	153
Deferred income tax for the period	²²	(19)	163
Prior periods' adjustments		(2)	(4)
Income tax provisions		–	9
TOTAL		372	321

17. Basic and diluted earnings per share

The weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share in the six months ended 30 June 2023 and 2022 is as follows:

Number of shares

	Notes	January-June 2023	January-June 2022
Number of ordinary shares during the period		1,058,752,117	1,058,752,117
Number of parent company shares held by Endesa, S.A.	321.3	255,961	164,083
Weighted average number of ordinary shares outstanding		1,058,433,199	1,058,589,117

Basic and diluted earnings per share for the six months ended 30 June 2023 and 2022 are as follows:


Millions of Euro

	Basic and diluted earnings per share	
	January-June 2023	January-June 2022
Profit after tax for the period from continuing operations	889	952
Profit after tax for the period from discontinued operations	—	—
Profit for the period	889	952
Parent	879	916
Non-controlling interests	10	36
Weighted average number of ordinary shares outstanding	1,058,433,199	1,058,589,117
Basic earnings per share (Euro)	0.83	0.87
Diluted earnings per share (Euro)	0.83	0.87
Basic earnings per share from continuing operations (Euro)	0.83	0.87
Diluted earnings per share from continuing operations (Euro)	0.83	0.87
Basic earnings per share from discontinued operations (Euro)	—	—
Diluted earnings per share from discontinued operations (Euro)	—	—

18. Property, plant and equipment

The composition and movements of this item of the accompanying consolidated statement of financial position at 30 June 2023 are as follows:

Millions of Euro

Property, plant and equipment in use and under construction	Land	Buildings	Electricity generation facilities			
			Hydroelectric power plants	Coal-fired/fuel-oil power plants	Nuclear power plants	
						
Cost	331	1,403	3,465	9,431	10,570	
Accumulated depreciation	(35)	(414)	(2,627)	(6,889)	(8,197)	
Impairment losses	(17)	(35)	(2)	(2,140)	–	
Balance at 31 December 2022	279	954	836	402	2,373	
Investments ^(Note 18.1)	44	13	–	–	20	
Charges	(5)	(27)	(23)	(31)	(145)	
Depreciation ^(Note 13.1)	(5)	(27)	(23)	(31)	(145)	
Impairment losses ^(Note 13.1)	–	–	–	–	–	
Disposals	(20) ⁽³⁾	–	–	–	–	
Transfers and other ⁽²⁾	2	44	38	5	23	
Total changes	21	30	15	(26)	(102)	
Cost	357	1,464	3,503	9,437	10,604	
Accumulated depreciation	(40) ⁽⁴⁾	(439)	(2,650)	(6,921)	(8,333)	
Impairment losses	(17)	(41)	(2)	(2,140)	–	
Balance at 30 June 2023⁽⁵⁾	300	984	851	376	2,271	




⁽¹⁾ Relates to low- and medium-voltage, measuring and remote-control equipment and other facilities.

⁽²⁾ Includes the effect of changes to the estimated costs of dismantling the facilities recognised in property, plant and equipment for Euro 118 million, negative (see Note 33.3) and the transfer from "Intangible assets" of wind farm and photovoltaic plants on which construction has begun, amounting to Euro 8 million, positive (see Note 20).

⁽³⁾ Relates to the renegotiation of payments in leases of land on which certain renewable generation facilities are located.

⁽⁴⁾ Includes depreciation of the right-of-use asset relating to land on which certain renewable generation facilities are located.

⁽⁵⁾ Includes right-of-use assets amounting to Euro 771 million (see Note 19).








	Electricity generation facilities			Transmission and distribution facilities ⁽¹⁾	Other property, plant, and equipment	Property, plant and equipment under construction	TOTAL
	Combined cycle plants	Renewable energy plants	Total				
							
	4,166	2,791	30,423	23,752	839	1,294	58,042
	(1,782)	(420)	(19,915)	(11,828)	(532)	—	(32,724)
	(679)	(9)	(2,830)	—	(45)	(53)	(2,980)
	1,705	2,362	7,678	11,924	262	1,241	22,338
	1	10	31	9	2	810	909
	(49)	(61)	(309)	(329)	(30)	(1)	(701)
	(49)	(61)	(309)	(329)	(30)	—	(700)
	—	—	—	—	—	(1)	(1)
	—	—	—	—	—	—	(20)
	(19)	124	171	236	23	(586)	(110)
	(67)	73	(107)	(84)	(5)	223	78
	4,148	2,919	30,611	23,971	864	1,518	58,785
	(1,831)	(476)	(20,211)	(12,131)	(561)	—	(33,382)
	(679)	(8)	(2,829)	—	(46)	(54)	(2,987)
	1,638	2,435	7,571	11,840	257	1,464	22,416

18.1. Main investments and divestments

18.1.1. Main investments

Details of investments in property, plant and equipment in the six-month periods ended 30 June 2023 and 2022 are as follows:

Millions of Euro

Activity Segment	Investments in property, plant and equipment		
	January-June 2023	January-June 2022	
Generation and Supply 	497	361	
 Conventional generation	106	84	<ul style="list-style-type: none"> Includes primarily investments in the various types of generation facilities, mostly nuclear.
 Renewable generation	375	270	<ul style="list-style-type: none"> In the first half of 2023, in line with the Paris Agreement on the reduction of carbon dioxide (CO2) emissions and in accordance with the objectives of leading the energy transition and achieving sound growth in renewable energy installation facilities set out in the 2023-2025 Strategic Plan, Endesa invested Euro 341 million on the construction of electricity generation facilities from renewable sources (see Note 4.1). Investments in this activity also include the recognition of a right-of-use asset corresponding to the land on which certain renewable generation facilities are located in the amount of Euro 44 million.
 Energy supply	2	—	
 Marketing of other products and services	14	7	<ul style="list-style-type: none"> Corresponds to investments in charging stations for the e-Mobility business in accordance with the strategic objective of extending the range of services offered.
 Distribution	403	356	<ul style="list-style-type: none"> Relates mainly to grid extensions, as well as investments aimed at optimising grid operation and efficiency, adapting the grid to emerging needs among customers and improving the quality of service and resilience of the grid itself in accordance with Endesa's strategy.
 Structure and other⁽¹⁾	9	3	
TOTAL	909	720	

⁽¹⁾ Structure, Services and Adjustments.




18.1.2. Main divestments

In the first half of 2023, the item included primarily amounts derecognised for right-of-use assets due to renegotiation of the payments in lease contracts related to the land on which certain renewable generation facilities are located, for Euro 20 million.

18.2. Purchase commitments

At 30 June 2023, Endesa had commitments to purchase property, plant and equipment for Euro 1,352 million, which are expected to materialise mainly within the next 12 months (31 December 2022: Euro 1,100 million):

Millions of Euro

Activity Segment	Purchase commitments	
	30 June 2023 ⁽¹⁾	31 December 2022 ⁽²⁾
Generation and Supply 	938	715
Distribution 	412	384
Structure and other⁽³⁾ 	2	1
TOTAL	1,352	1,100

⁽¹⁾ Includes Euro 5 million and Euro 20 million with Group companies (see Note 41.1.2) and associates, respectively. There are no amounts committed to Joint Ventures.

⁽²⁾ None of these amounts are committed to Group companies or correspond to Associates or Joint Ventures.

⁽³⁾ Structure, Services and Adjustments.

- In line with Endesa's objective of strengthening its presence in the Iberian generation market by expanding the portfolio of renewable assets in its production mix in line with its Energy Transition strategy and its commitment to expand its emission-free generation facilities, At 30 June 2023, it had committed Euro 648 million (Euro 499 million at 31 December 2022) for material investments relating to electricity generation facilities based on renewable sources, which will basically materialise from the second half of 2023 (see Note 4.1).

- This corresponds to investment commitments to extend or improve the grid, with a focus on digitalisation of the grid, strengthening and increasing the resilience of assets, improving the quality of service and transforming processes and systems.

18.3. Other information

Impairment test

No material impairment losses on property, plant and equipment were recognised in the six months ended 30 June 2023 and 2022 (see Note 13.1).

Note 3f "Impairment of non-financial assets" to the consolidated financial statements for the year ended 31 December 2022 states that Endesa assesses throughout the year and, in any case, at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the asset's

recoverable amount to determine the extent of any impairment loss.

At 30 June 2023, bearing in mind current trends and available information, Endesa assessed that there were no indications of impairment other than those explained in the previous paragraph that would require it to update its estimate of the recoverable amount of non-financial assets.

Insurance

Endesa and its subsidiaries have taken out insurance policies to cover the risk of damage to their property, plant and equipment and any claims that could be filed against them in their business activities. The company considers the coverage of these policies to be sufficient.

In the January-June 2023 period Endesa did not find any material impacts related to the insurance policies it had taken out at the date of approval of the interim condensed consolidated financial statements for the six months ended 30 June 2023.

Other information

At 30 June 2023 and 31 December 2022, the carrying amount of the thermal power plants for which Endesa applied for authorisation by the competent authorities to

close and the related provisions for dismantling recognised under “Non-current provisions” in the consolidated statement of financial position were as follows:

Millions of Euro

Thermal power plants	Application date	Closure date	30 June 2023		31 December 2022	
			Net carrying amount	Provision for decommissioning (Nota 33.3)	Net carrying amount	Provision for decommissioning (Nota 33.3)
As Pontes (A Coruña)	27 December 2019	Pending	—	113	—	119
Litoral (Almería)	27 December 2019	26 November 2021	—	70	—	77
Compostilla II (León) - Grupos III, IV and V	19 December 2018	23 September 2020	—	59	—	64
Teruel (Teruel)	19 December 2018	21 July 2020	—	35	—	47
Alcudia (Islas Baleares) - Grupos I and II	27 December 2018	30 December 2019	—	29	—	32
TOTAL			—	306	—	339

19. Right-of-use assets

The breakdown of right-of-use assets included under “Property, plant and equipment” in the consolidated statement of financial position at 30 June 2023 and 2022 and of their movements in the six months ended 30 June 2023 were as follows:

Millions of Euro

Right-of-use assets	Land	Buildings	Electricity generating facilities: Combined cycle plants	Other property, plant, and equipment	TOTAL
Balance at 31 December 2022	207	97	305	173	782
Additions	44	13	–	2	59
Disposals	(20)	–	–	–	(20)
Depreciation and impairment losses	(5)	(9)	(14)	(20)	(48)
Transfers and other	(2)	–	–	–	(2)
Balance at 30 June 2023⁽¹⁾	224	101	291	155	771

⁽¹⁾ Allocated to the Iberian Peninsula cash generating unit (CGU) (Euro 671 million), Distribution (Euro 26 million) and Structure and Services (Euro 74 million) (see Note 7.2.2).

In the six months ended 30 June 2023 and 2022, the effect of right-of-use assets on the consolidated income statement is as follows:

Millions of Euro

	Notes	January–June 2023	January–June 2022
Depreciation charge for right-of-use assets		48	47
Interest expenses on borrowings associated with right-of-use assets	^{14.1}	15	33
Finance expenses		19	17
Exchange differences		(4)	16
Expenses relating to short-term leases and/or leases of low-value assets ⁽¹⁾		–	–
Expenses relating to variable lease payments		2	3
Total effect on the consolidated income statement		65	83

⁽¹⁾ Leases with a lease term of 12 months or less at the commencement date and/or leases for which the underlying asset has a value of less than USD 5,000.

19.1. Rights-of-use assets as lessee

Disclosures on the most significant leases in which Endesa is lessee are provided in Note 21.1 to the consolidated financial statements for the year ended 31 December 2022.

19.2. Right-of-use assets as lessor

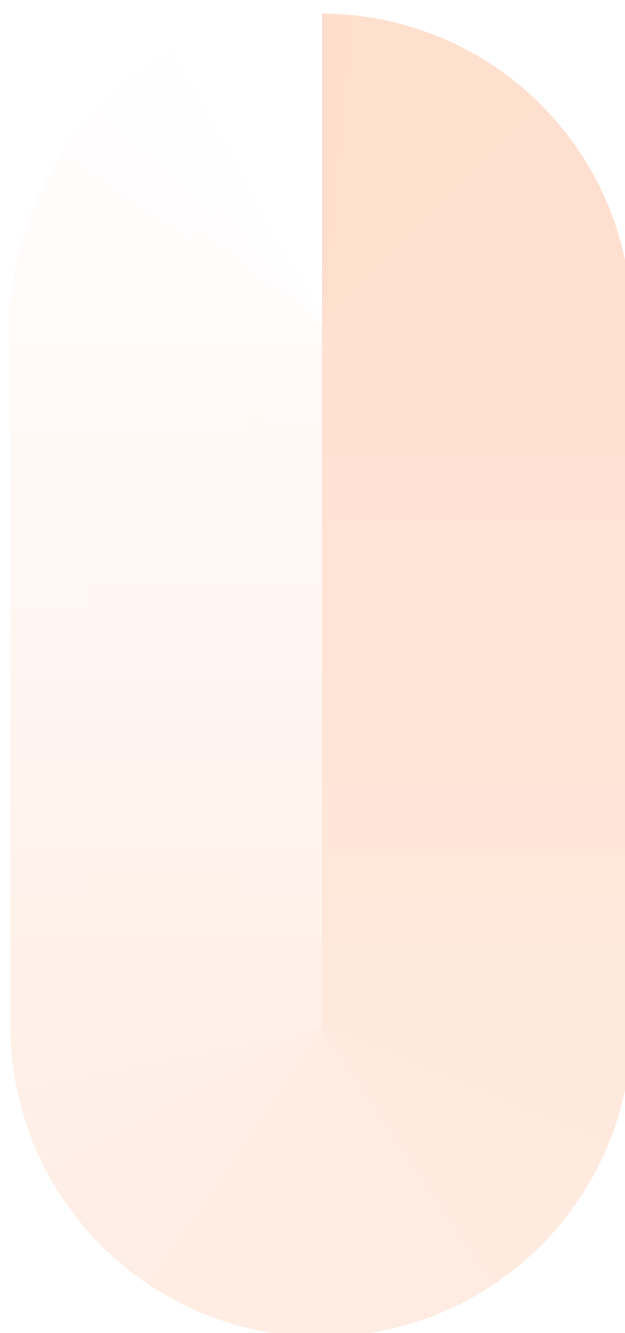
Finance leases

At 30 June 2023 and 31 December 2022, Endesa had not entered into and finance leases as lessor.

Operating leases

At 30 June 2023, the most significant operating lease agreements in which Endesa acts as the lessor are those that Endesa X Servicios, S.L.U. has entered into relating to contracts with third parties, corresponding mainly to value added products and services.

Rental income recognised in six the months ended 30 June 2023 amounted to Euro 3 million (2022: Euro 2 million).



20. Intangible assets

The composition and movements of this item of the accompanying consolidated statement of financial position at 30 June 2023 are as follows:

Millions of Euro

	Computer software	Concessions	Customer acquisition costs	Other	TOTAL
Cost	2,167	65	715	1,034	3,981
Accumulated amortisation	(1,618)	(31)	(373)	(315)	(2,337)
Impairment losses	–	(4)	–	(4)	(8)
Balance at 31 December 2022	549	30	342	715	1,636
Inclusion/(exclusion) of companies ^(Note 6.1)	–	–	–	(2)	(2)
Investments ^(Note 20.1)	64	–	93	38	195
Charges	(77)	(1)	(50)	(24)	(152)
Amortisation ^(Note 13.1)	(77)	(1)	(50)	(24)	(152)
Impairment losses ^(Note 13.1)	–	–	–	–	–
Disposals	–	–	–	–	–
Transfers and other ⁽¹⁾	–	–	–	(8)	(8)
Total changes	(13)	(1)	43	4	33
Cost	2,230	66	807	1,061	4,164
Accumulated amortisation	(1,694)	(33)	(422)	(338)	(2,487)
Impairment losses	–	(4)	–	(4)	(8)
Balance at 30 June 2023	536	29	385	719⁽²⁾	1,669

⁽¹⁾ Relates to the transfer to "Property, plant and equipment" of wind farm and photovoltaic plants on which construction has begun (see Note 18).








⁽²⁾ Includes mainly authorisations to operate the wind farms of Enel Green Power España, S.L.U. (EGPE) and customer portfolios acquired, for Euro 634 million and Euro 13 million, respectively.

20.1. Main investments and divestments

20.1.1. Main investments

Details of investments in intangible assets in the six-month periods ended 30 June 2023 and 2022 are as follows:

Millions of Euro

Activity Segment	Intangible investments		
	January-June 2023	January-June 2022	
Generation and Supply 	174	196	
 Conventional generation	7	8	<ul style="list-style-type: none"> Includes investments in the systems and telecommunications activity (ICT).
 Renewable generation	48	39	<ul style="list-style-type: none"> Mainly includes investments aimed at achieving the strategic objectives of decarbonisation in renewable electricity production systems and facilities.
 Energy supply	99	129	<ul style="list-style-type: none"> Relates mainly to the capitalisation of incremental costs of obtaining contracts with customers amounting to Euro 74 million (January-June 2022: Euro 103 million). It also includes investments of the systems and telecommunications (ICT) business in line with the digitalisation strategy and the strategic objective of end-demand electrification amounting to Euro 25 million (January-June 2022: Euro 26 million).
 Marketing of other products and services	20	20	<ul style="list-style-type: none"> It includes mainly the capitalisation of incremental costs incurred in obtaining contracts with customers of the e-Home and e-Industries activities for an amount of Euro 19 million, in accordance, in both cases, with the strategic objective of electrification of end demand by developing value-added services.
 Distribution	18	33	<ul style="list-style-type: none"> In the first half of 2023 and 2022 it includes the investment relating to the licence to use the Blue Sky Grid Platform with Enel Global Infrastructure and Networks S.r.l (EGIN) for Euro 6 million and Euro 20 million, respectively (see Note 41.1.2). Additionally, it includes investments in the systems and telecommunications activity (ICT) in line with the digitalisation strategy and the strategic objective of more efficient grids.
 Structure and other⁽¹⁾	3	6	<ul style="list-style-type: none"> Includes mainly investments in the systems and telecommunications activity (ICT).
TOTAL	195	235	

⁽¹⁾ Structure, Services and Adjustments.

20.1.2. Main divestments

No significant amounts were derecognised from this item in the consolidated statement of financial position in the first half of 2023.

20.2. Purchase commitments

At 30 June 2023, Endesa had commitments to acquire intangible assets amounting to Euro 173 million, of which Euro 23 million is expected to be realised in the next 12 months (Euro 196 million at 31 December 2022):

Millions of Euro

Activity Segment	Purchase commitments ^{(1) (2)}		
	30 June 2023	31 December 2022	
Generation and Supply 	88	97	<ul style="list-style-type: none"> Includes, in both periods, the commitments acquired with the seller of the company Shark Power, S.L.U. relating to certain stipulations pending execution on its part in the amount of Euro 85 million.
Distribution 	79	93	<ul style="list-style-type: none"> Includes the commitment acquired with Enel Global Infrastructure and Networks S.r.l (EGIN) relating to the Licence for use of the Blue Sky Grid Platform in the amount of Euro 77 million (Euro 93 million at 31 December 2022).
Structure and other⁽³⁾ 	6	6	
TOTAL	173	196	

⁽¹⁾ None of these amounts are committed to Joint Ventures.

⁽²⁾ At 30 June 2023 and 31 December 2022, euro 79 million and euro 93 million, respectively, are committed to Group companies (see Note 41.1.2).

⁽³⁾ Structure, Services and Adjustments

20.3. Other information

Impairment test

No material impairment losses on intangible assets were recognised in the six months ended 30 June 2023 and 2022 (see Note 13.1).

Note 3f "Impairment of non-financial assets" to the consolidated financial statements for the year ended 31 December 2022 states that Endesa assesses throughout the year and, in any case, at each reporting date whether there is any indication that an asset may be impaired. If any

such indication exists, the Company estimates the asset's recoverable amount to determine the extent of any impairment loss.

At 30 June 2023, bearing in mind current trends and available information, Endesa assessed that there were no indications of impairment that would require it to update its estimate of the recoverable amount of intangible assets.

21. Goodwill

Details of this item in the consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	Notes	Cash generating unit (CGU)	30 June 2023	31 December 2022
Enel Green Power España, S.L.U. (EGPE)	72	Iberian Peninsula Generation	296	296
Eléctrica del Ebro, S.A.U.	72	Distribution	2	2
Empresa de Alumbrado Eléctrico de Ceuta, S.A.	72	Distribution	21	21
Systems and telecommunication activity (ICT)	72	Iberian Peninsula Generation	65	65
		Distribution	74	74
		Endesa, S.A.	4	4
TOTAL			462	462

The entire amount of goodwill relates to the Spain geographical area.

21.1. Other information

Impairment test

No material impairment losses on goodwill were recognised in the six months ended 30 June 2023 and 2022 (see Note 13.1).

Note 3f "Impairment of non-financial assets" to the consolidated financial statements for the year ended 31 December 2022 states that Endesa assesses throughout the year and, in any case, at each reporting date whether there is any indication that an asset may be impaired. If any

such indication exists, the Company estimates the asset's recoverable amount to determine the extent of any impairment loss.

At 30 June 2023, bearing in mind current trends and available information, Endesa assessed that there were no indications of impairment that would require it to update its estimate of the recoverable amount of goodwill.

22. Deferred tax assets and liabilities

In the first half of 2023, the movement in these items of the consolidated statement of financial position were as follows:

Millions of Euro

	Deferred tax assets and liabilities				
	Balance at 31 December 2022 ⁽¹⁾	(Debit)/credit to profit or loss (Nota 16)	(Debit)/credit to equity	Transfers and other	Balance at 30 June 2023
Deferred tax assets:	2,660	20	(661)	1	2,020
Deferred tax liabilities:	1,425	1	(171)	–	1,255
Deferred tax assets not eligible for offset	1,494				1,044
Deferred tax liabilities not eligible for offset	259				279
Deferred tax eligible for offset	1,166				976

⁽¹⁾ See Note 2.

At the date of approval of these interim condensed consolidated financial statements, the current situation had not had an impact on the recovery of deferred tax assets at Endesa.

23. Investments accounted for using the equity method

Details of this item in the accompanying consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	30 June 2023	31 December 2022
Associates	193	181
Joint ventures	90	93
TOTAL	283	274

The full list of investees over which Endesa has significant influence is provided in Appendix I to these consolidated financial statements. These companies do not have publicly listed share prices.

Endesa's main associates and joint ventures, accounted for using the equity method, and changes therein in the six months ended 30 June 2023 are as follows:

Millions of Euro

	Ownership interest % ⁽¹⁾	Balance at 31 December 2022	Investments or increases	Disposals or reductions	Share of profit/ (loss) of companies accounted for using the equity method ^(Nota 15)	Dividends	Transfers and other	Balance at 30 June 2023
Sociedades Asociadas		181	13	–	1	(3)	1	193
Energías Especiales del Bierzo S.A.	50.0	7	–	–	1	(2)	(1)	5
Gorona del Viento El Hierro, S.A.	23.2	13	–	–	–	–	–	13
Compañía Eólica Tierras Altas, S.A.	37.5	7	–	–	2	–	–	9
Cogenio Iberia, S.L.	20.0	5	–	–	–	–	–	5
Endesa X Way, S.L.	49.0	124	2	–	(2)	–	–	124
Other		25	11	–	–	(1)	2	37
Negocios Conjuntos		93	4	–	9	(15)	(1)	90
Tejo Energia - Produção e Distribuição de Energia Eléctrica, S.A.	43.7	5	–	–	–	–	1	6
Front Marítim del Besòs, S.L.	61.4	31	–	–	–	–	–	31
Nuclenor, S.A.	50.0	–	3	–	–	–	(3)	–
Énergie Électrique de Tahaddart, S.A.	32.0	11	–	–	2	(2)	1	12
Suministradora Eléctrica de Cádiz, S.A.	33.5	9	–	–	1	–	–	10
Other		37	1	–	6	(13)	–	31
TOTAL		274	17	–	10	(18)	–	283

⁽¹⁾ (1) Percentage at 30 June 2023.

In the six months ended 30 June 2023, the data for assets, liabilities and equity of the companies used to prepare the interim condensed consolidated financial statements are from the individual companies.

24. Assets and liabilities from contracts with customers

24.1. Non-current and current assets from contracts with customers

Movements in the six months ended 30 June 2023 in non-current and current assets from contracts with customers in the consolidated statement of financial position were as follows:

Millions of Euro

	Non-current assets from contracts with customers	Current assets from contracts with customers ⁽¹⁾
Balance at 31 December 2022	–	8
Disposals	–	(12)
Amount recognised in profit or loss	–	11
Balance at 30 June 2023	–	7

⁽¹⁾ Net amount, including a valuation adjustment of Euro 1 million.

At 30 June 2023 and 31 December 2022, current assets from contracts with customers corresponded mainly to contracts for the execution of works entered into between Endesa Ingeniería, S.L.U. and Red Eléctrica de España, S.A.U. (REE), which will be in force until 2025.

At 30 June 2023, Endesa had future commitments to provide services amounting to Euro 12 million relating to contracts for the execution of works entered into with Red Eléctrica de España, S.A.U. (REE) (31 December 2022: Euro 18 million).

24.2. Current and non-current liabilities from contracts with customers

The composition of non-current and current liabilities from contracts with customers in the consolidated statement of financial position at 30 June 2023 and movements in the six-month period then ended were as follows:

Millions of Euro

	Notes	Non-current liabilities from contracts with customers			Current liabilities from contracts with customers
		Facilities transferred by customers and extension rights	Other non-current contract liabilities	Total	
Balance at 31 December 2022		4,242	58	4,300	294
Additions		68	—	68	—
Amount recognised in profit or loss	8.2	—	—	—	(87)
Transfers and other		(86)	(1)	(87)	104
Balance at 30 June 2023		4,224	57	4,281	311

The main items comprising these headings are described in Notes 3.2.I) and 27.2 to the consolidated financial statements for the year ended 31 December 2022.

25. Other non-current financial assets

In the first half of 2023, the composition and movement in this item of the accompanying consolidated statement of financial position were as follows:

Millions of Euro

	Balance at 31 December 2022	Additions or charges	Disposals, derecognition or reductions	Valuation adjustments recognised in equity	Transfers and other	Changes in consolidation scope	Balance at 30 June 2023
Loans and receivables	1,177	18	(482)	—	72	—	785
Equity instruments	8	—	—	—	—	—	8
Impairment losses	(25)	—	—	—	1	—	(24)
TOTAL	1,160	18	(482)	—	73	—	769

25.1. Loans and other receivables

Details of loans and other receivables at 30 June 2023 and a 31 December 2022 are as follows:

Millions of Euro			
	Notes	30 June 2023	31 December 2022
Guarantees and deposits		434	437
Loans to employees		62	48
Loans to associates, joint ventures and jointly controlled entities	41.2	3	2
Financial guarantees recognised as assets	27	189	668
Other financial assets		97	22
Valuation adjustments		(22)	(22)
TOTAL		763	1,155

Guarantee deposits

At 30 June 2023 and 31 December 2022, "Guarantees and deposits" includes, primarily, guarantees and deposits received from customers in Spain at the date of signing contracts in guarantee of electricity supply, and which are

also recognised as "Other non-current liabilities" in the consolidated statement of financial position, as they have been deposited with the pertinent public administrations in accordance with prevailing standards in Spain.

Financial guarantees recognised as assets

At 30 June 2023 and 31 December 2022, this item included the financial guarantees tied up as a result of transactions in organised markets in which Endesa trades its derivative financial instruments.

25.2. Equity instruments

At 30 June 2023 and 31 December 2022, this category included equity instruments corresponding to interests in other companies, net of impairment, amounting to Euro 6 million and Euro 5 million, respectively.

The individual amount of the rest of the investments recognised under this item is not material.

26. Other non-current assets

Details of this item in the accompanying consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro			
	Notes	30 June 2023	31 December 2022
Remuneration of distribution activity	5	307	279
Other assets ⁽¹⁾		45	25
TOTAL		352	304

⁽¹⁾ At 30 June 2023 includes the accounting balance of the surplus due to the difference between the actuarial liability and the market value of the related assets of Endesa's defined benefit pension plans amounting to Euro 26 million (31 December 2022: Euro 8 million) (see Note 33.1).

27. Other current financial assets

Details of this item in the accompanying consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro			
	Notes	30 June 2023	31 December 2022
Financing of the revenue shortfall from regulated activities in Spain and other regulated remuneration	5	—	14
Compensation for stranded costs in non-mainland generation ("TNP")	5	2,070	2,254
Limitation of the increase in the Last Resort Tariff (LRT)		3	67
Loans to employees		12	11
Loans to associates, joint ventures and jointly controlled entities	41.2	74	65
Financial guarantees recognised as assets	25.1	2,959	6,056
Other financial assets		218	216
Valuation adjustments		(4)	(6)
TOTAL		5,332	8,677

The fair value of these financial assets does not differ substantially from their carrying amount.

28. Inventories

Details of this item in the consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	30 June 2023	31 December 2022
Energy commodities:	719	1,050
Coal	44	93
Nuclear fuel	252	246
Fuel oil	94	110
Gas	329	601
Other inventories	433	392
Carbon dioxide (CO ₂) emission allowances	94	653
Guarantees of Origin and other environmental certificates	14	57
Value Correction	(30)	(30)
TOTAL	1,230	2,122

28.1. Carbon dioxide (CO₂) emission allowances

In the six months ended 30 June 2023 and 2022, CO₂ emission allowances of 2022 and 2021 were cancelled, resulting in the derecognition of Euro 869 million and Euro 326 million, respectively (13 million tonnes and 11 million tonnes, respectively).

At 30 June 2023, the provision for allowances to be delivered to cover these (CO₂) emissions under "Current liabilities" in the consolidated statement of financial position amounted to Euro 418 million (31 December 2022: Euro 862 million) (see Note 33.3).

28.2. Guarantees of Origin and other environmental certificates

In the six months ended 30 June 2023 and 2022, Guarantees of Origin for 2022 and 2021 were redeemed, resulting in the derecognition of Euro 76 million and Euro 8 million, respectively (22,993 GWh and 16,843 GWh, respectively).

At 30 June 2023, the provision for rights to deliver Guarantees of Origin and other environmental certificates recognised under "Current provisions" in the consolidated statement of financial position came to Euro 71 million (31 December 2022: Euro 81 million) (see Note 33.3).

28.3. Purchase commitments

At 30 June 2023, commitments to purchase inventories amounted to Euro 19,798 million (31 December 2022: Euro 22,942 million), of which a portion relates to agreements with take-or-pay clauses, as follows.

Millions of Euro

	Future purchase commitments at 30 June 2023 ⁽¹⁾						
	Carbon dioxide (CO ₂) emission allowances	Electricity	Nuclear fuel	Fuel oil	Gas	Other	Total
2024 - 2028	281	–	732	18	6,893	61	7,985
2029 - 2033	–	–	74	232	5,643	–	5,949
2034 - 2038	–	–	14	–	4,603	–	4,617
2039 - Resto	–	–	–	–	1,247	–	1,247
TOTAL	281	–	820	250	18,386	61	19,798

⁽¹⁾ None of these amounts corresponds to joint ventures.

At 30 June 2023 and 31 December 2022, commitments to purchase inventories included a commitment to acquire liquefied natural gas for contracts arranged in 2014 with Corpus Christi Liquefaction, LLC, part of which are guaranteed by Enel, S.p.A. (see Note 41.1.2).

As for agreements with take-or-pay clauses, current forecasts indicate that Endesa will continue to consume certain inventories in these agreements.

The Company's Directors consider that Endesa will be able to fulfil these obligations and, therefore, they do not expect any contingency to arise in this respect.

28.4. Other information

Value correction

In the six-month periods ended 30 June 2023 and 2022, no write-downs of inventories for significant amounts were recognised under this item in the consolidated statement of financial position.

Insurance

Endesa has taken out insurance policies to cover the possible risks of damage to its inventories. It considers that coverage provided by these policies is sufficient.

In the January-June 2023 period, Endesa did not find any material impacts related to the insurance policies it had

taken out at the date of approval of the interim condensed consolidated financial statements for the six months ended 30 June 2023.

Other information

At 30 June 2023 and 31 December 2022, Endesa had not pledged material amounts of inventories to secure the repayment of borrowings.

29. Trade and other receivables

Details of this item in the consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro			
	Notes	30 June 2023	31 December 2022
Trade receivables		4,808	5,472
Trade receivables for sales and services		4,418	4,817
Trade receivables for electricity sales		3,283	3,323
Trade receivables for gas sales		846	1,037
Receivables from other transactions		232	283
Receivables from Group companies and associates	41.1 and 41.2	57	174
Other receivables		903	1,129
Remuneration of distribution activity		257	231
Other receivables from third parties		530	478
Other receivables from Group companies and associates	41.1 and 41.2	116	420
Valuation adjustments		(513)	(474)
Trade receivables for sales and services		(409)	(370)
Other receivables		(104)	(104)
Tax assets		518	215
Current income tax		348	49
VAT recoverable		161	153
Other taxes		9	13
TOTAL		5,326	5,687

Balances included under this item in the consolidated statement of financial position do not generally earn interest.

Since regular meter reading periods are not matched to the end of the reporting period, Endesa provides a sales estimate to customers performed by its supply companies Endesa Energía, S.A.U., Energía XXI Comercializadora de Referencia, S.L.U., Empresa de Alumbrado Eléctrico de

Ceuta, S.A. and Energía Ceuta XXI Comercializadora de Referencia, S.L.U., which have not yet been billed.

At 30 June 2023, the cumulative balances of unbilled power and gas sales are recognised under "Trade and other receivables" in the accompanying statement of financial position amounting to Euro 1,606 million and Euro 561, respectively (31 December 2022: Euro 1,850 million and Euro 529 million, respectively).

29.1. Other information

Valuation adjustments

Movements in "Valuation adjustments" in the six months ended 30 June 2023 and 2022 were as follows:

Millions of Euro			
	Notes	January-June 2023	January-June 2022
Balance at 1 January		474	463
Charges	13.2 and 38.3	102	82
Amounts utilised		(63)	(91)
Balance at 31 December		513	454

At 30 June 2023 and 2022, virtually all valuation adjustments relate to trade receivables for sales of electricity (see Note 38.3).

Other information

Factoring transactions were carried out in the six months ended 30 June 2023 and 2022, with undue balances at 30 June 2023 and 2022 amounting to Euro 1,752 million and Euro 1,795 million, respectively, which were derecognised from the consolidated statement of financial position.

These transactions were recognised at a cost of Euro 22 million and Euro 14 million, respectively, under "Financial profit/(loss)" in the consolidated income statement (see Note 14.1).

30. Cash and cash equivalents

Details of this item in the consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro	30 June 2023	31 December 2022
Cash in hand and at banks	697	871
Cash equivalents	–	–
TOTAL	697	871

At 30 June 2023 and 31 December 2022, the breakdown of this consolidated statement of financial position item, by currency, is as follows:

Millions of Euro	30 June 2023	31 December 2022
Currency		
Euro	695	869
US dollar (USD)	1	–
Sterling Pound (GBP)	1	2
TOTAL	697	871

Short-term cash investments mature within 3 months from acquisition date and earn interest at market interest rates for this type of deposits.

There were no investments in sovereign debt at 30 June 2023 and 31 December 2022.

At 30 June 2023, the balance of cash and cash equivalents includes Euro 6 million corresponding to the debt service reserve account set up by certain Endesa renewable energy subsidiaries by virtue of the project finance loans arranged (31 December 2022: Euro 8 million) (see Note 37.4.3).

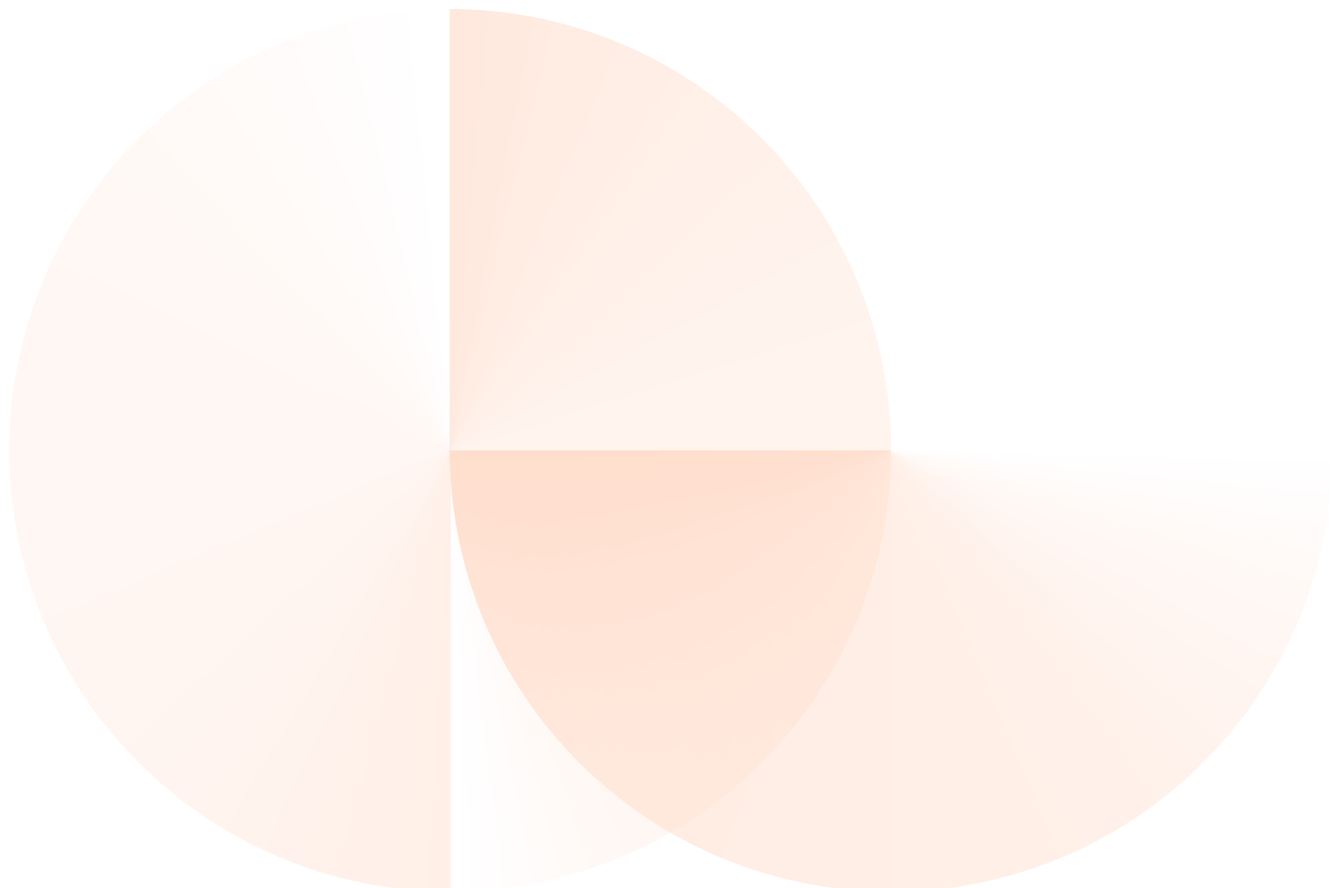
31. Non-current assets held for sale and discontinued operations

Details of this item in the consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	30 June 2023	31 December 2022
ASSETS		
NON-CURRENT ASSETS	27	27
Investments accounted for using the equity method	27	27
TOTAL ASSETS	27	27

Endesa recognised under this item the stake in the share capital of Tecnatom in accordance with the agreement entered into with Westinghouse Electric Spain, S.A.U. in 2022 for the sale of this stake.



32. Equity

Details of this item in the consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	Notes	30 June 2023	31 December 2022 ⁽¹⁾
Total equity of the Parent		6,231	5,557
Share capital	32.1.1	1,271	1,271
Share premium		89	89
Legal reserve		254	254
Revaluation reserve		404	404
Other reserves		106	106
(Treasury shares)	32.1.3	(5)	(5)
Retained earnings		6,013	6,812
Interim dividend	32.1.4	—	—
Other equity instruments		5	4
Reserve for actuarial gains and losses	32.1.2	(190)	(190)
Valuation adjustments		(1,716)	(3,188)
Exchange differences		(1)	(1)
Unrealised assets and liabilities revaluation reserve		(1,715)	(3,187)
Total equity of non-controlling interests		185	201
TOTAL EQUITY		6,416	5,758

⁽¹⁾ See Note 2.

In the six months ended 30 June 2023, Endesa applied the same capital management policy as described in Note 35.1.12 to the consolidated financial statements for the year ended 31 December 2022.

32.1. Equity: of the Parent

32.1.1. Share capital

At 30 June 2023, Endesa, S.A. had share capital of Euro 1,270,502,540.40, represented by 1,058,752,117 fully subscribed and paid up shares of Euro 1.2 par value each, all admitted to trading on the Spanish Stock Exchanges.

At 30 June 2023 and 31 December 2022, the Enel Group held shares representing 70.1% of the share capital of Endesa, S.A. through Enel Iberia, S.L.U.

At the same dates no other shareholder held more than 10% of the share capital of Endesa, S.A.

32.1.2. Reserve for actuarial gains and losses

At 30 June 2023 and 31 December 2022, amounts recognised in this reserve arise from actuarial gains and losses recognised in equity (see Note 33.1).

32.1.3. Treasury shares

Disclosures on the Temporary Share Buyback Programme carried out in 2022 are provided in Notes 35.1.8 and 49.3.5 to the consolidated financial statements for the year ended 31 December 2022.

Meanwhile, at its meeting held on 22 March 2023, the Board of Directors of Endesa, S.A., resolved to carry out another Temporary Share Buyback programme pursuant to the authorisation granted by the shareholders at the General Shareholders' Meeting held on 5 May 2020 and also further to the approval by the Company's Board of Directors at its meeting held on 22 February 2023 in relation to the plan to award shares to employees ("Flexible Share Remuneration Programme").

The Buyback Programme implemented by a financial institution and with a duration between 24 March 2023 and 6 April 2023 is subject to the provisions of Commission Delegated Regulation (EU) 2016/1052, of March 8,

supplementing Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April and aims to acquire shares to fulfil the obligations of the Flexible Remuneration Programme in Shares for active employees of the Endesa Group in Spain who opt in 2023 to receive part of their salary in shares of Endesa, S.A., within the framework of Endesa's general remuneration policy. The Temporary Share Buyback Programme includes the volume of shares required to cover the monetary amount requested by employees.

Within the framework of the aforementioned Programme, up to 30 June 2023, Endesa, S.A. acquired 613,000 treasury shares of the Parent for Euro 12 million, of which, at 30 June 2023, it still held 1,351.

Therefore, at 30 June 2023 and 31 December 2022, Endesa, S.A. held treasury shares related to those programmes as reflected in the table below:

	Number of shares	Nominal value (Euro/share)	% of total share capital	Average acquisition cost (Euro/share)	Total cost of acquisition (Euro)
Treasury shares at 30 June 2023	255,961	1.2	0.02418	19.25	4,928,007
Treasury shares at 31 December 2022	254,610	1.2	0.02405	19.25	4,901,357

32.1.4. Dividends

Approval was given at Endesa, S.A.'s General Shareholders' Meeting held on 28 April 2023 to pay shareholders a total dividend charged against 2022 profit and retain earnings from prior years for a gross amount of Euro 1.5854 per share, for a total pay-out of Euro 1,678 million, as follows:

Millions of Euro

	Approval date	Euro per share, gross	Amount	Payment date
Dividend	28 April 2023	1.5854	1,678	3 July 2023
Total dividend per share, 2022		1.5854	1,678	

32.2. Equity: of non-controlling interests

At 30 June 2023, the composition and movements of this item of the consolidated statement of financial position are as follows:

Millions of Euro

	Balance at 31 December 2022	Dividends paid	Profit/(loss) for the period	Investments or increases	Disposals or reductions	Other movements	Balance at 30 June 2023
Aguilón 20, S.A.	27	(7)	1	—	—	—	21
Empresa de Alumbrado Eléctrico de Ceuta, S.A.	3	—	—	—	—	—	3
Eólica Valle del Ebro, S.A.	3	—	—	—	—	—	3
Explotaciones Eólicas Saso Plano, S.A.	13	(4)	—	—	—	—	9
Parque Eólico Sierra del Madero, S.A.	26	—	—	—	—	—	26
Sociedad Eólica de Andalucía, S.A.	33	(8)	5	—	—	—	30
Other	96	(7)	4	—	—	—	93
TOTAL	201	(26)	10	—	—	—	185

The equity data correspond to the information on the individual companies, except for those of Empresa Alumbrado Eléctrico de Ceuta, S.A., which correspond to its consolidated financial statements.

At 30 June 2023 and 31 December 2022, the balance of "Equity of non-controlling interests" included mainly the non-controlling interests of the investments held by Enel Green Power España, S.L.U. (EGPE).

33. Provisions

The breakdown at 30 June 2023 and 31 December 2022 of "Non-current provisions" and "Current provisions" in the consolidated statement of financial position is as follows:

Millions of Euro

	Notes	30 June 2023		31 December 2022	
		Non-current	Current	Non-current	Current
Provisions for employee benefits		262	—	278	—
Provisions for pensions and other similar obligations	33.1	232	—	248	—
Other employee benefits		30	—	30	—
Provisions for workforce restructuring plans	33.2	456	189	519	204
Collective redundancy procedures		12	26	14	28
Contract suspensions		444	163	505	176
Other provisions	33.3	1,998	580	2,167	1,032
TOTAL		2,716	769	2,964	1,236

33.1. Provisions for pensions and similar obligations

Net actuarial liability

The breakdown of the net actuarial liability at 30 June 2023 and movement during the first half of 2023 are as follows:

Millions of Euro

	January–June 2023			
	Pensions	Energy	Health insurance	Total
Opening net actuarial liability	27	212	1	240
Net interest expense	1	4	—	5
Service costs in the period	2	—	—	2
Benefits paid in the period	—	—	—	—
Contributions in the period	(34)	(6)	—	(40)
Other movements	(1)	—	—	(1)
Actuarial (gains) losses arising from changes in demographic assumptions	—	—	—	—
Actuarial (gains) losses arising from changes in financial assumptions	3	(1)	—	2
Actuarial (gains) losses arising from experience adjustments	18	(16)	—	2
Actuarial return on plan assets excluding interest expense	(4)	—	—	(4)
Closing net actuarial liability	12	193	1	206

At 30 June 2023 and 31 December 2022 the amounts recorded in the Consolidated Statement of Financial Position are as follows:

Millions of Euro

	30 June 2023	31 December 2022
Provisions for Pensions and Similar Obligations	232	248
Other Non-current Assets	(26)	(8)
Actuarial Liability Deficit Carrying Balance	206	240

Impact on the consolidated income statement and the consolidated statement of other comprehensive income

In the six months ended 30 June 2023 and 2022, amounts recognised under provisions for defined benefit and defined contribution pensions in the consolidated income statement were as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Defined benefit		(7)	(8)
Current cost in the period ⁽¹⁾	11.1	(2)	(4)
Net finance costs	14.1	(5)	(4)
Defined contribution		(27)	(24)
Current cost in the period ⁽²⁾	11.1	(27)	(24)
TOTAL		(34)	(32)

⁽¹⁾ In the first half of 2023, it includes Euro 1 million of the current cost for the period relating to employees who opted to take early retirement, which had been recognised previously under "Provisions for workforce restructuring plans" and transferred during the period to "Provisions for pensions and similar obligations" (2022: Euro 2 million).

⁽²⁾ In the six months ended 30 June 2023 and 2022, Euro 12 million and Euro 11 million, respectively, were contributed that had been previously included under "Provisions for workforce restructuring plans".

In the six months ended 30 June 2023 and 2022, amounts recognised for provisions to cover defined benefit obligations in the consolidated statement of other comprehensive income were as follows:

Millions of Euro

	January-June 2023	January-June 2022
Actuarial return on plan assets excluding interest expense	4	(56)
Actuarial gains and losses	(4)	330
TOTAL	—	274

Plan assets

The main categories of defined benefit plan assets as a percentage of total assets at 30 June 2023 and 31 December 2022 are as follows:

Percentage (%)

	30 June 2023	31 December 2022
Fixed income assets ⁽¹⁾	48	45
Shares ⁽¹⁾	30	30
Other investments	22	25
TOTAL	100	100

⁽¹⁾ Includes Enel Group companies' shares and bonds in the amount of Euro 10 million at 30 June 2023 (31 December 2022: Euro 8 million).

The breakdown of the fair value of fixed income securities by geographical area at 30 June 2023 and 31 December 2022 is as follows:

Millions of Euro

Country	30 June 2023	31 December 2022
Spain	9	8
US	56	44
Luxembourg	27	4
France	9	8
Italy	7	5
United Kingdom	5	5
Germany	7	11
Netherlands	4	4
Others	53	68
TOTAL	177	157

At 30 June 2023 and 31 December 2022, the value of defined benefit plan assets placed in sovereign debt instruments is as follows:

Millions of Euro

Pais	30 June 2023	31 December 2022
Spain	3	3
Italy	5	3
France	4	3
Germany	3	5
Others	40	29
TOTAL	55	43

Shares and fixed-income instruments have quoted prices in active markets. The expected return on plan assets was estimated taking into account forecasts for the main fixed income and equity markets and assuming that the various asset classes would have similar weights to those of the preceding year. The actual average return for the six months ended 30 June 2023 was 3.31% (2022: 9.89%, negative).

Currently, the investment strategy and risk management are the same for all plan participants, with no correlation strategy between assets and liabilities.

The classification of defined benefit plan assets measured at fair value by fair value hierarchy at 30 June 2023 and 31 December 2022 is as follows:

Millions of Euro

	30 June 2023				31 December 2022			
	Fair value	Level 1	Level 2	Level 3	Fair value	Level 1	Level 2	Level 3
Defined benefit plan assets	369	235	42	92	349	209	38	102

Assets classified as Level 3 are measured based on valuation reports prepared by the pertinent management company.

Actuarial assumptions

The assumptions used when calculating the actuarial liability of uninsured defined benefit obligations at 30 June 2023 and 31 December 2022 were as follows:

	30 June 2023	31 December 2022
Interest rate	3.67% - 3.77%	3.74% - 3.77%
Mortality tables	PERM / FCOL2020	PERM / FCOL2020
Expected return on plan assets	3.69%	3.77%
Salary increase ⁽¹⁾	1.00%	1.00%
Increase in the cost of health care	4.81%	4.98%

⁽¹⁾ Benchmark percentage for estimating salary increases.

The interest rate applied to discount the obligations is obtained from a curve built using the yields on corporate bond issues by AA-rated companies based on the estimated payment term of the benefits deriving from each obligation.

33.2. Provisions for workforce restructuring plans

Movement in non-current provisions for workforce restructuring plans in the six months ended 30 June 2023 were as follows:

Millions of Euro

	Notes	Collective redundancy procedures	Contract suspensions	Total
Balance at 31 December 2022		14	505	519
Amounts charged to profit or loss		1	19	20
Personnel expenses	11.1	—	11	11
Net finance income/(expense)	14.1	1	8	9
Transfers to current and other		(3)	(80)	(83)
Balance at 30 June 2023		12	444	456

Actuarial assumptions

The assumptions used in the actuarial calculation of the provisions for workforce restructuring plans at 30 June 2023 and 31 December 2022 were as follows:

	Collective redundancy procedures		Contract suspensions	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Interest rate	3.90%	3.57%	3.90%	3.57%
Future increase in guarantee	N/A	N/A	1.00%	1.00%
Increase in other items	N/A	N/A	2.61%	2.78%
Consumer price index (CPI)	2.61%	2.78%	N/A	N/A
Mortality tables	PERM / FCOL2020	PERM / FCOL2020	PERM / FCOL2020	PERM / FCOL2020

33.3. Other provisions

Movements in this consolidated statement of financial position item at 30 June 2023 were as follows:

Millions of Euro

	Balance at 31 December 2022	Operating expenses		Net financial profit/(loss) (Note 16.1)	Net provisions charged to property, plant and equipment (Note 20)	Pay-ments	Transfers and other	Balance at 30 June 2023
		Charges	Reversals					
Provisions for decommissioning costs	1,796	1	(32)	26	(118)	(21)	—	1,652
Nuclear power plants	581	—	—	9	(40)	—	—	550
Other plants	1,129	1	(31)	15	(72)	(20)	—	1,022
Dismantling of meters	81	—	(1)	2	(6)	(1)	—	75
Mine closures	5	—	—	—	—	—	—	5
Provisions for carbon dioxide (CO ₂) emission allowances	862	426	(869)	—	—	—	(1)	418
Provisions for Guarantees of Origin and other environmental certificates	81	66	(76)	—	—	—	—	71
Provisions for litigation, indemnification and other legal or contractual obligations	460	18	(20)	1	—	(17)	(3)	437
TOTAL	3,199	511	(997)	25	(118)	(38)	(4)	2,578

At 30 June 2023, no provisions for onerous contracts had been recognised.

Provisions for decommissioning costs

Endesa recognises a provision for the expected cost to dismantle some of its plants and certain distribution facilities. These provisions are recorded at their present value.

The interest rates applied in discounting the provisions, in accordance with the remaining useful life of the associated asset, were within the following ranges:

%

	January-June 2023	January-June 2022
Financial discount rate	0.0 - 3.4	0.0 - 1.9

34. Other non-current liabilities

Details of this item in the consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	Notes	30 June 2023	31 December 2022
Guarantees and deposits	25.1	465	468
Other payables		118	120
TOTAL	372	583	588

35. Other non-current and current financial liabilities

Details of this item in the consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	Non-current		Current	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Interest payable on borrowings	–	–	85	51
TOTAL	–	–	85	51

36. Trade and other payables

Details of this item in the consolidated statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	Notes	30 June 2023	31 December 2022
Trade payables and other current liabilities	37	6,049	6,219
Trade payables		3,696	4,794
Dividend payable	32.1.4	1,680	3
Other payables		673	1,422
Tax liabilities		1,636	1,108
Current income tax		991	544
VAT payable		89	164
Other taxes		556	400
TOTAL		7,685	7,327

At 30 June 2023, "Dividend payable" included mainly the following dividends related to Endesa, S.A.:

Millions of Euro

	Notes	Dividend payable	Euro per share, gross	Amount	Payment date
Dividend		30 June 2023	1.5854	1,678	3 July 2023
Total dividend per share, 2022	32.1.4		1.5854	1,678	

At 30 June 2023, the amount of trade payables discounted with financing entities to manage payments to suppliers (confirming), recognised under trade and other payables in the consolidated statement of financial position, totalled Euro 40 million (31 December 2022: Euro 26 million). In the six months ended 30 June 2023 and 2022, the finance income accrued on reverse factoring agreements amounted to less than Euro 1 million.

At 30 June 2023, the estimate of unbilled electricity and gas tariff costs, arising from unbilled energy supplied, amounted to Euro 99 million and Euro 70 million, respectively (31 December 2022: Euro 190 million and Euro 87 million, respectively) included in "Trade and other payables" in the consolidated statement of financial position.

37. Financial instruments

At 30 June 2023 and 31 December 2022, the classification of financial instruments in the consolidated statement of financial position was as follows:

Millions of Euro

	Notes	30 June 2023		31 December 2022	
		Non-current	Current	Non-current	Current
Financial asset instruments					
Derivative financial instruments		731	1,412	1,249	2,533
Other financial assets		769	5,332	1,160	8,677
Other assets		352	–	304	–
Trade receivables	29	–	4,808	–	5,472
Assets from contracts with customers	24.1	–	7	–	8
Cash and cash equivalents	30	–	697	–	871
TOTAL	37.1	1,852	12,256	2,713	17,561
Financial liability instruments					
Derivative financial instruments		1,112	2,881	2,408	4,990
Borrowings	37.3	13,151	1,314	11,704	6,784
Other financial liabilities		–	85	–	51
Other liabilities		583	–	588	–
Trade and other payables	36	–	6,049	–	6,219
Liabilities from contracts with customers	24.2	4,281	311	4,300	294
TOTAL	37.2	19,127	10,640	19,000	18,338

37.1. Classification of non-current and current financial assets

At 30 June 2023 and 31 December 2022, the classification of financial assets in the consolidated statement of financial position by category is as follows:

Millions of Euro

	Notes	30 June 2023		31 December 2022	
		Non-current	Current	Non-current	Current
Financial assets at amortised cost					
Other financial assets		763	5,332	1,155	8,677
Other assets		352	–	304	–
Trade receivables	29	–	4,808	–	5,472
Assets from contracts with customers	24.1	–	7	–	8
Cash and cash equivalents	30	–	697	–	871
Financial assets at fair value through profit or loss		90	860	177	1,313
Equity instruments	39.1	6	–	5	–
Derivatives not designated as hedging instruments	39.1	84	860	172	1,313
Financial assets at fair value through other comprehensive income		–	–	–	–
Hedging derivatives	39.1	647	552	1,077	1,220
TOTAL		1,852	12,256	2,713	17,561

Endesa has not modified its business model, nor has it been significantly affected by the contractual cash flow characteristics of its financial assets. Therefore, there were no reclassifications between categories.

37.2. Classification of non-current and current financial liabilities

At 30 June 2023 and 31 December 2022, the classification of financial liabilities in the consolidated statement of financial position by category is as follows:

Millions of Euro

	Notes	30 June 2023		31 December 2022	
		Non-current	Current	Non-current	Current
Financial liabilities at amortised cost		18,001	7,759	16,578	13,348
Borrowings	37.3	13,137	1,314	11,690	6,784
Other financial liabilities		—	85	—	51
Other liabilities		583	—	588	—
Trade payables and other current liabilities	36	—	6,049	—	6,219
Liabilities from contracts with customers	24.2	4,281	311	4,300	294
Financial liabilities at fair value through profit or loss		241	1,408	330	2,556
Borrowings (1)	37.3 y 39.2	14	—	14	—
Derivatives not designated as hedging instruments	39.2	227	1,408	316	2,556
Hedging derivatives	39.2	885	1,473	2,092	2,434
TOTAL		19,127	10,640	19,000	18,338

⁽¹⁾ Relates entirely to financial liabilities that, from commencement of the transaction, are underlyings of fair value hedges and measured at fair value through profit or loss.

37.3. Borrowings

The breakdown of "Non-current borrowings" and "Current borrowings" in the consolidated statement of financial position at 30 June 2023 is as follows:

Millions of Euro

	30 June 2023				
	Nominal value	Carrying amount			Fair value
		Non-current	Current	Total	
Bonds and other marketable securities	432	14	419	433	433
Bank borrowings	6,113	5,851	176	6,027	6,032
Other borrowings	8,011	7,286	719	8,005	8,027
Borrowings associated with rights of use	829	737	92	829	829
Other	7,182	6,549	627	7,176	7,198
TOTAL⁽¹⁾	14,556	13,151	1,314	14,465	14,492

⁽¹⁾ Relates to sustainable financing at 64%.

At 30 June 2023, the breakdown of the nominal amount of gross borrowings by maturity was as follows:

Millions of Euro

	Carrying amount at 30 June 2023	Nominal value		Total maturity					
		Current	Non-current	2023	2024	2025	2026	2027	Subsequent years
Bonds and other marketable securities	433	420	12	420	—	—	—	—	12
Bank borrowings	6,027	176	5,937	39	1,512	580	447	920	2,615
Other borrowings	8,005	719	7,292	669	3,084	84	76	1,732	2,366
Borrowings associated with rights of use	829	92	737	52	75	74	75	65	488
Other	7,176	627	6,555	617	3,009	10	1	1,667	1,878
TOTAL	14,465	1,315	13,241	1,128	4,596	664	523	2,652	4,993

The movement in the nominal amount of non-current borrowings in the six months ended 30 June 2023 is as follows:

Millions of Euro

	Nominal amount at 31 December 2022	Does not generate cash flows		Generates cash flows		Nominal amount at 30 June 2023
		Additions / (Disposals)	Transfers and other	Repayments and redemptions (Note 40.3)	New borrowings (Note 40.3)	
Bonds and other marketable securities	12	—	—	—	—	12
Bank borrowings	5,895	—	(153)	(525)	720	5,937
Other borrowings	5,885	33	(44)	(461)	1,879	7,292
Borrowings associated with rights of use	756	33	(50)	(2)	—	737
Other	5,129	—	6	(459)	1,879	6,555
TOTAL	11,792	33	(197)	(986)	2,599	13,241

The movement in the nominal amount of current borrowings in the six months ended 30 June 2023 is as follows:

Millions of Euro

	Nominal amount at 31 December 2022	Does not generate cash flows		Generates cash flows		Nominal amount at 30 June 2023
		Additions / (Disposals)	Transfers and other	Repayments and redemptions (Note 40.3)	New borrowings (Note 40.3)	
Bonds and other marketable securities	4,988	—	1	(12,618)	8,049	420
Bank borrowings	981	—	154	(960)	1	176
Other borrowings	815	6	47	(453)	304	719
Borrowings associated with rights of use	88	6	48	(50)	—	92
Other	727	—	(1)	(403)	304	627
TOTAL	6,784	6	202	(14,031)	8,354	1,315

In the six months ended 30 June 2023 and 2022, the average interest rate on gross borrowings was 3.0% and 1.1%, respectively.

37.4. Other matters

37.4.1. Liquidity

At 30 June 2023, Endesa's liquidity amounted to Euro 8,516 million (31 December 2022: Euro 9,185 million), disclosed as follows:

Millions of Euro

	Notes	Liquidity	
		30 June 2023	31 December 2022
Cash and cash equivalents	30	697	871
Available undrawn credit facilities ⁽¹⁾		7,819	8,314
TOTAL		8,516	9,185

⁽¹⁾ At 30 June 2023, Euro 3,525 million related to an available credit facility with Enel Finance International, N.V. (31 December 2022: Euro 4,950 million) (see Note 41.1.2).

37.4.2. Main financial transactions

The main financial transactions carried out in the first half of 2023 were as follows:

- In the first half of 2023, Endesa registered a new SDG 13 Euro Commercial Paper Programme (ECP) amounting to Euro 5,000 million, with an outstanding nominal balance at 30 June 2023 of Euro 420 million. Renewal is

backed by irrevocable bank credit facilities. This Programme incorporates sustainability objectives, in line with Endesa's Strategic Plan.

- Long-term financial operations amounting to Euro 5,300 million have been formalised, all of them incorporating sustainability objectives:

Millions of Euro

Transactions	Counterparty	Signing date	Maturity date	Amount
Loan ⁽¹⁾⁽²⁾	European Investment Bank	17 January 2023	2038	250
Loan ⁽³⁾	Caixabank, S.A.	24 March 2023	3 May 2028	425
Loan ⁽³⁾	Kutxabank, S.A.	24 March 2023	4 May 2028	75
Loan ⁽³⁾	BNP Paribas	24 March 2023	5 May 2028	125
Loan ⁽³⁾	Enel Finance International N.V	4 May 2023	4 May 2028	1,875
Loan ⁽⁴⁾⁽⁵⁾	Club Deal	29 May 2023	30 November 2025	300
Loan ⁽²⁾⁽⁶⁾	European Investment Bank	28 June 2023	2038	200
Loan ⁽²⁾⁽⁶⁾	Instituto de Crédito Oficial	28 June 2023	28 June 2035	300
Credit facility ⁽⁴⁾	BNP Paribas	24 March 2023	24 March 2026	125
Credit facility ⁽⁴⁾	Intesa San Paolo, S.P.A.	31 March 2023	31 March 2026	250
Credit facility ⁽⁴⁾	Enel Finance International N.V	4 May 2023	4 May 2026	1,125
Credit facility ⁽⁴⁾⁽⁵⁾	Club Deal	29 May 2023	30 November 2025	250
TOTAL				5,300

⁽¹⁾ The credit conditions of these transactions are tied to the objective established in the Strategic Plan to reduce specific Scope 1 carbon dioxide (CO₂) emissions by up to 145 gCO₂eq/kWh in 2024.

⁽²⁾ Relates to loans not paid at 30 June 2023.

⁽³⁾ The credit conditions of these transactions are tied to environmental Sustainability goals according to the criteria set out in Article 3 of the EU Taxonomy Regulation, set at 80% for 31 December 2025.

⁽⁴⁾ The credit conditions of these transactions are tied to environmental Sustainability goals according to the criteria set out in Article 3 of the EU Taxonomy Regulation, set at 78% for 31 December 2023.

⁽⁵⁾ Renewable of existing loans and credit facilities.

⁽⁶⁾ The credit conditions of these transactions are tied to the objective established in the Strategic Plan to reduce specific Scope 1 carbon dioxide (CO₂) emissions by up to 145 gCO₂eq/kWh in 2025.

37.4.3. Financial stipulations

Certain Endesa subsidiaries are subject to compliance with covenants, or obligations stipulated in their financing agreements, which are standard for these types of contracts. At 30 June 2023, neither Endesa, S.A. nor any of its subsidiaries, were in breach of their financial obligations or any obligations or covenants that could trigger early repayment of its financial liabilities.

Endesa's Directors do not consider that these clauses change the current/non-current classification in the consolidated statement of financial position at 30 June 2023.

Endesa, S.A.

The loan contracts of Endesa, S.A., which centralises almost all of Endesa's financing activity, do not contain financial ratio clauses that would lead to a breach of contract and trigger early maturity.

The outstanding bond issues of Endesa, S.A. (Euro 12 million of accounting balance at 30 June 2023) contain:

- Cross-default clauses under which the debt must be prepaid in the event of default on payments (above a certain amount) on certain Endesa, S.A. obligations.

In addition, the commitments of the outstanding bond issues of Endesa, S.A. and the bank financing arranged by Endesa, S.A. include the following clauses:

- Negative pledge clauses, whereby Endesa, S.A. may not issue mortgages, liens or other encumbrances on its assets (above a certain amount) to secure certain types of bonds, unless equivalent guarantees are issued in favour of the remaining debtors.
- "Pari passu" clauses, whereby bonds and bank financing have the same rank as any other existing or future unsecured or non-subordinated debts issued by Endesa, S.A.

In addition, the main covenants in Endesa, S.A.'s borrowings are:

Millions of Euro

Clauses	Transactions	Covenants	Nominal amount payable	
			30 June 2023	31 December 2022
Related to credit ratings	Related to credit ratings Financial transactions with the European Investment Bank (EIB) and Off-icial Credit Institute (ICO)	Additional or renegotiated guarantees in the event of credit rating downgrades	2,423	2,554
Relating to change of control	Financial Operations with the European Investment Bank (EIB), the Instituto de Crédito Oficial (ICO) and Enel Finance Interna-tional, N.V.	May be repaid early in the event of a change of control at Endesa, S.A.	8,948 ⁽¹⁾	7,654 ⁽¹⁾
Related to asset transfers	Financing Operations with the European Investment Bank (EIB), the Instituto de Crédito Oficial (ICO) and other Financial Institu-tions	Restrictions arise if a percentage of between 7% and 10% of Endesa's consolidated assets is exceeded ⁽²⁾	5,997	6,178

⁽¹⁾ The amount signed was Euro 13,223 million at 30 June 2023 (31 December 2022: Euro 12,604 million).

⁽²⁾ Above these thresholds, the restrictions would generally only apply if equivalent consideration were not received or if the solvency of Endesa, S.A. were to be significantly and adversely affected.

At 30 June 2023 and 31 December 2022, Endesa, S.A. had entered into financing transactions whose contractual terms and conditions could be modified in the event of non-compliance with sustainability-related ratios or indicators, e.g. a reduction of certain levels of carbon dioxide (CO₂) emissions by certain dates, or reaching a ratio of mainland net installed capacity with renewable sources within certain timeframes.

Subsidiaries of the renewables business

At 30 June 2023, certain Endesa subsidiaries operating in the renewable energy business and financed with project finance held financial debt of Euro 43 million (31 December 2022: Euro 70 million) (see Notes 18.3 and 42), with the contracts containing the following clauses:

Clauses	Transactions	Covenants
Relating to change of control	Loan agreements signed for the financing of projects and related derivatives ⁽¹⁾	May be subject to prepayment in the event of a change of control
Relating to the fulfilment of obliga-tions		Pledges of shares granted to ensure compliance with obligations under contract with respect to the lending financial institutions ⁽²⁾
Relating to the distribution of profit to shareholders	Loan agreements signed for project financing purposes	Restrictions subject to compliance with certain conditions
Relating to asset sales		Restrictions on obtaining the authorisation from a majority of lenders and, in certain cases, of allocating the proceeds to repay the debt
Relating to the Debt Service Reserve Account		Obligations to set up a Debt Service Reserve Account

⁽¹⁾ With a positive net market value of Euro 2 million (31 December 2022: positive Euro 2 million).

⁽²⁾ For the amount of the financial debt outstanding.

Moreover, those renewable energy subsidiaries must comply with certain Annual Debt Servicing Coverage Ratios (ADSCR). At 30 June 2023, there was no incident of non-compliance with those ratios.

38. General risk control and management policy

In the six months ended 30 June 2023, Endesa applied the same general risk and control management policy as described in Note 42 to the consolidated financial statements for the year ended 31 December 2022.

38.1. Interest rate, foreign currency and energy commodity price risk

Financial instruments and types of hedges have the characteristics as those described in the annual consolidated financial statements for the year ended 31 December 2022.

The derivatives entered into by Endesa relate mainly to transactions arranged to hedge interest rate risk, foreign

currency risk or energy commodity price risk (electricity, fuel, oil and derivatives, CO₂ emission allowances and guarantees of origin). The purpose of the derivatives is to actively manage the risks in the underlying hedged transactions.

Energy commodity risk

At 30 June 2023, the detail of the pre-tax impact on the consolidated income statement and the consolidated statement of other comprehensive income of a change

energy commodity prices on the value of existing energy commodity derivatives, all other things being equal, is as follows:

Energy commodity derivatives	30 June 2023		
	Changes in energy commodity prices	Consolidated income statement	Consolidated statement of other comprehensive income
Cash flow hedging derivatives	20%	—	(75) ⁽¹⁾
	-20%	—	74 ⁽¹⁾
Derivatives not designated as hedging instruments	20%	(12) ⁽²⁾	—
	-20%	(14) ⁽²⁾	—

⁽¹⁾ Euro 168 million, negative, and Euro 167 million, positive, respectively, for gas.

⁽²⁾ Euro 93 million, negative, and Euro 69 million, positive, respectively, for gas.

38.2. Liquidity risk

Endesa's liquidity position at 30 June 2023 is described in Note 37.4.1.

Endesa has a strong financial position and unconditional credit lines arranged with first-tier entities available for significant amounts.

38.3. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial or commercial contract, leading to a financial loss.

Endesa closely monitors the credit risk of its commodities, financial and commercial counterparties. Against an inflationary backdrop, with sharply rising interest rates, affected by the energy crises of previous months, an inflationary backdrop, exposure to default with commercial counterparties has risen considerably,

although the collection management carried out by the Company has moderated the trend in past-due receivables (see Note 4.2).

In the first half of 2023, net impairment losses on financial assets amounted to Euro 102 million and related to credit-loss allowances on receivables from customer contracts due, among other aspects, to a decline in payments recovered from residential and Business to Business (B2B) customers (see Note 29).

38.4. Concentration risk

Endesa is exposed to customer and supplier concentration risk in its business operations.

In the current situation, the possible one-off loss of a customer or supplier should not have a significant effect on concentration risk since the concentration of customers

and suppliers is low and the ability to substitute suppliers is generally high, as described in Note 42.6 to the consolidated financial statements for the year ended 31 December 2022. Nevertheless, Endesa continues to monitor trends in concentration risk (see Note 4.2).

39. Fair value measurement

39.1. Fair value measurement of categories of financial assets

The classification of financial assets measured at fair value in the consolidated statement of financial position by fair value hierarchy at 30 June 2023 and 31 December 2022 is as follows:

Millions of Euro

	30 June 2023									
	Non-current assets					Current assets				
	Notes	Fair value	Level 1	Level 2	Level 3	Notes	Fair value	Level 1	Level 2	Level 3
Equity instruments	37.1	6	—	—	6	37.1	—	—	—	—
Fair value hedging derivatives:	37.1	2	—	2	—	37.1	—	—	—	—
Interest rate		2	—	2	—		—	—	—	—
Cash flow hedging derivatives:	37.1	645	49	252	344	37.1	552	45	374	133
Interest rate		103	—	103	—		—	—	—	—
Exchange rate		21	—	21	—		53	—	53	—
Energy commodities		521 ⁽¹⁾	49	128	344		499 ⁽²⁾	45	321	133
Derivatives not designated as hedging instruments:	37.1	84	41	43	—	37.1	860	119	741	—
Interest rate		—	—	—	—		—	—	—	—
Exchange rate		—	—	—	—		1	—	1	—
Energy commodities		84 ⁽³⁾	41	43	—		859 ⁽⁴⁾	119	740	—
Inventories		—	—	—	—		11	7	4	—
TOTAL		737	90	297	350		1,423	171	1,119	133

⁽¹⁾ Includes Euro 345 million of electricity derivatives and Euro 153 of liquid fuel or gas derivatives.

⁽²⁾ Includes Euro 144 million of electricity derivatives and Euro 343 of liquid fuel or gas derivatives.

⁽³⁾ Includes Euro 15 million of electricity derivatives and Euro 68 of liquid fuel or gas derivatives.

⁽⁴⁾ Includes Euro 86 million of electricity derivatives and Euro 737 of liquid fuel or gas derivatives.

Millions of Euro

	31 December 2022									
	Non-current assets					Current assets				
	Notes	Fair value	Level 1	Level 2	Level 3	Notes	Fair value	Level 1	Level 2	Level 3
Equity instruments	37.1	5	—	—	5	37.1	—	—	—	—
Fair value hedging derivatives:	37.1	2	—	2	—	37.1	—	—	—	—
Interest rate		2	—	2	—		—	—	—	—
Cash flow hedging derivatives:	37.1	1,075	31	388	656	37.1	1,220	52	895	273
Interest rate		109	—	109	—		—	—	—	—
Exchange rate		53	—	53	—		84	—	84	—
Energy commodities		913 ⁽¹⁾	31	226	656		1,136 ⁽²⁾	52	811	273
Derivatives not designated as hedging instruments:	37.1	172	105	66	1	37.1	1,313	171	1,141	1
Interest rate		—	—	—	—		—	—	—	—
Exchange rate		—	—	—	—		2	—	2	—
Energy commodities		172 ⁽³⁾	105	66	1		1,311 ⁽⁴⁾	171	1,139	1
Inventories		—	—	—	—		18	—	18	—
TOTAL		1,254	136	456	662		2,551	223	2,054	274

⁽¹⁾ Includes Euro 659 million of electricity derivatives and Euro 239 million of liquid fuel or gas derivatives.

⁽²⁾ Includes Euro 280 million of electricity derivatives and Euro 834 million of liquid fuel or gas derivatives.

⁽³⁾ Includes Euro 10 million of electricity derivatives and Euro 160 million of liquid fuel or gas derivatives.

⁽⁴⁾ Includes Euro 213 million of electricity derivatives and Euro 1,085 million of liquid fuel or gas derivatives.

39.2. Fair value measurement of categories of financial liabilities

The classification of financial liabilities measured at fair value in the consolidated statement of financial position by fair value hierarchy at 30 June 2023 and 31 December 2022 is as follows:

Millions of Euro

	30 June 2023									
	Non-current liabilities					Current liabilities				
	Notes	Fair value	Level 1	Level 2	Level 3	Notes	Fair value	Level 1	Level 2	Level 3
Bonds and other marketable securities	37.2	14	–	14	–	37.2	–	–	–	–
Bank borrowings	37.2	–	–	–	–	37.2	–	–	–	–
Fair value hedging derivatives:	37.2	81	–	81	–	37.2	–	–	–	–
Interest rate		81	–	81	–		–	–	–	–
Exchange rate		–	–	–	–		–	–	–	–
Cash flow hedging derivatives:	37.2	804	467	184	153	37.2	1,473	1,235	205	33
Interest rate		–	–	–	–		–	–	–	–
Exchange rate		16	–	16	–		20	–	20	–
Energy commodities		788 ⁽¹⁾	467	168	153		1,453 ⁽²⁾	1,235	185	33
Derivatives not designated as hedging instruments:	37.2	227	167	59	1	37.2	1,408	1,065	343	–
Interest rate		–	–	–	–		–	–	–	–
Exchange rate		–	–	–	–		1	–	1	–
Energy commodities		227 ⁽³⁾	167	59	1		1,407 ⁽⁴⁾	1,065	342	–
TOTAL		1,126	634	338	154		2,881	2,300	548	33

⁽¹⁾ Includes Euro 153 million of electricity derivatives and Euro 631 of liquid fuel or gas derivatives.

⁽²⁾ Includes Euro 55 million of electricity derivatives and Euro 1,387 of liquid fuel or gas derivatives.

⁽³⁾ Includes Euro 3 million of electricity derivatives and Euro 222 of liquid fuel or gas derivatives.

⁽⁴⁾ Includes Euro 32 million of electricity derivatives and Euro 1,353 of liquid fuel or gas derivatives.

Millions of Euro

	31 December 2022									
	Non-current liabilities					Current liabilities				
	Notes	Fair value	Level 1	Level 2	Level 3	Notes	Fair value	Level 1	Level 2	Level 3
Bonds and other marketable securities	37.2	14	–	14	–	37.2	–	–	–	–
Bank borrowings	37.2	–	–	–	–	37.2	–	–	–	–
Fair value hedging derivatives:	37.2	87	–	87	–	37.2	–	–	–	–
Interest rate		87	–	87	–		–	–	–	–
Cash flow hedging derivatives:	37.2	2,005	1,308	553	144	37.2	2,434	2,157	254	23
Interest rate		–	–	–	–		–	–	–	–
Exchange rate		11	–	11	–		25	–	25	–
Energy commodities		1,994 ⁽¹⁾	1,308	542	144		2,409 ⁽²⁾	2,157	229	23
Derivatives not designated as hedging instruments:	37.2	316	185	131	–	37.2	2,556	1,608	948	–
Interest rate		–	–	–	–		–	–	–	–
Exchange rate		–	–	–	–		10	–	10	–
Energy commodities		316 ⁽³⁾	185	131	–		2,546 ⁽⁴⁾	1,608	938	–
TOTAL		2,422	1,493	785	144		4,990	3,765	1,202	23

⁽¹⁾ Includes Euro 144 million of electricity derivatives and Euro 1,849 million of liquid fuel or gas derivatives.

⁽²⁾ Includes Euro 65 million of electricity derivatives and Euro 2,341 million of liquid fuel or gas derivatives.

⁽³⁾ Includes Euro 1 million of electricity derivatives and Euro 312 million of liquid fuel or gas derivatives.

⁽⁴⁾ Includes Euro 88 million of electricity derivatives and Euro 2,451 million of liquid fuel or gas derivatives.

39.3. Other matters

Endesa has entered into long-term Power Purchase Agreements (“PPAs”) whereby it undertakes to purchase a certain volume of energy at a certain price. These financial contracts are recognised as “Financial instruments” and are measured at fair value through profit or loss, unless they have been designated as hedges for accounting purposes and meet the requirements for hedge accounting, including that they are highly effective, in which case they are recognised as described in Note 3.2h.5 to the consolidated financial statements for the year ended 31 December 2022. In the six months ended 30 June 2023, Endesa used the same fair value hierarchy levels to measure the fair value of non-current and current assets and liabilities. There were no transfers between any of the hierarchy levels detailed in

Note 3r to the consolidated financial statements for the year ended 31 December 2022.

Also in the six months ended 30 June 2023, Endesa applied the same measurement standards to determine fair value as those described in Notes 3.2h.5 and 3r to the consolidated financial statements for the year ended 31 December 2022. In the first half of 2023, hedge accounting was discontinued for certain derivatives entered into to hedge energy commodity price risk for a total amount of Euro 5 million, positive, recognised under “Income and expenses from energy commodity derivatives”. In the first half of 2022, hedge accounting was not discontinued for any derivatives designated initially as cash flow hedges.

Derivative financial instruments measured at Level 3 in the fair value hierarchy

In the six months ended 30 June 2023 and 2022, the changes in derivative financial instruments measured at Level 3 in the fair value hierarchy were as follows:

Millions of Euro	January-June 2023	January-June 2022
Balance at 1 January	764	467
Net gains/(losses) in the consolidated income statement	(3)	—
Gains/(losses) recognised in the consolidated statement of other comprehensive income	(471)	188
Balance at 31 December	290	655

The fair value of the derivative financial instruments classified in Level 3 was calculated by applying the cash flow method. To calculate the cash flow projections, available market information is used as a base, complemented, where appropriate, by estimates from essential models that represent the functioning of these markets.

At 30 June 2023, none of the possible scenarios included in these assumptions would give rise to a material change in the fair value of the financial instruments classified in this level.

40. Statement of cash flows

At 30 June 2023, cash and cash equivalents stood at Euro 697 million (31 December 2022: Euro 871 million) (see Note 30).

In the six months ended 30 June 2023 and 2022, Endesa's net cash flows, classified as operating, investing and financing activities, were as follows:

Millions of Euro

	Statement of cash flows	
	January-June 2023	January-June 2022
Net cash flows from/(used in) operating activities	1,615	(169)
Net cash flows from/(used in) investing activities	2,312	(3,724)
Net cash flows from/(used in) financing activities	(4,101)	3,389

In 2023, net cash flows generated from operating activities (Euro 1,615 million) and investing activities (Euro 2,312 million) were sufficient to cover the net cash flows used in financing activities (Euro 4,101 million).

40.1. Net cash flows from/(used in) operating activities

In the six months ended 30 June 2023, net cash flows from operating activities amounted to Euro 1,615 million (2022: Euro 169 million, negative), broken down as follows:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Gross profit before tax		1,261	1,273
Adjustments for:		1,659	908
Depreciation and amortisation and impairment losses	¹³	955	872
Other adjustments (net)		704	36
Working capital changes:		(706)	(2,048)
Trade and other receivables		679	(908)
Inventories		(53)	(391)
Current financial assets		188	(733)
Trade payables and other current liabilities		(1,520)	(16)
Other cash flows used in operating activities:		(599)	(302)
Interest received		23	33
Dividends received		17	18
Interest paid ⁽¹⁾		(217)	(81)
Income tax paid		(244)	(53)
Other proceeds from/(payments for) operating activities ⁽²⁾		(178)	(219)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		1,615	(169)

⁽¹⁾ Includes interest payments on borrowings for right-of-use assets amounting to euro 19 and euro 17 million, respectively (see note 19).

⁽²⁾ Corresponds to payments of provisions.

The variations in the main items determining the net cash flows from/(used in) operating activities are as follows:

Item	Variation	
Working capital changes	▲ Euro 1,342 million (-65.5%)	<p>The change in this item is the result of the following impacts:</p> <ul style="list-style-type: none"> • The increase in trade and other receivables of Euro 1,587 million. • The decrease in payments for inventories of Euro 338 million. • Lower net payments of regulatory receivables of Euro 921 million, which includes an increase in compensation for cost overruns in generation of Non-mainland Territories ("TNP") (Euro 865 million) and payments for the tariff deficit (Euro 54 million), and the decrease in remuneration from investment in renewable energies (Euro 17 million) and the limitation of the increase in the Last Resort Tariff (LRT) for gas (Euro 94 million). • The increase in trade payables and other current liabilities for Euro 1,504 million, which includes, among others, the payment relating to 50% of the temporary energy tax ushered in by Law 38/2022, of 27 December (see Note 5).

In the first half of 2023, the Company also continued with its active policy concerning the management of current assets and liabilities, focusing on, among other aspects,

process improvements, factoring of accounts receivable, and agreements with suppliers to extend payment periods.

40.2. Net cash flows from/(used in) investing activities

In the first half of 2023, net cash flows from investing activities amounted to Euro 2,312 million (2022: Euro 3,724 million used) and included:

- Cash payments and proceeds used to acquire property, plant and equipment and intangible assets:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Purchases of property, plant and equipment and intangible assets		(1,116)	(944)
Purchases of property, plant and equipment ⁽¹⁾	18.1	(850)	(700)
Purchases of intangible assets	20.1	(195)	(235)
Facilities transferred from customers		32	46
Non-current asset suppliers		(103)	(55)
Proceeds from sale of property, plant and equipment and intangible assets		3	4
Other proceeds from and payments for investing activities⁽²⁾		39	40
TOTAL		(1,074)	(900)

⁽¹⁾ Not including additions for rights of use amounting to Euro 59 million at 30 June 2023 and Euro 20 million at 30 June 2022.

⁽²⁾ Relating to collections of subsidies and new installations requested by customers.

- Cash payments and proceeds used for investments and/or proceeds from disposals of equity investments in Group companies:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Proceeds from sales of equity investments in group companies		—	136
Sale of 51% of Endesa X Way, S.L. to Enel Way, S.r.L.	6.2	—	122
Sale of 40% stakes in Boiro Energía, S.A. and Depuración Destilación Recicla-je, S.L.	6.2	—	14
TOTAL		—	136

- Cash payments and proceeds used in purchases and/or disposals of other investments:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Purchase of other investments		(187)	(2,960)
Remuneration of non-current distribution activity		(165)	(125)
Net financial guarantees	25.1 and 27	—	(2,828)
Other financial assets		(22)	(7)
Disposal of other investments		3,573	—
Net financial guarantees	25.1 and 27	3,547	—
Other financial assets		26	—
TOTAL		3,386	(2,960)

40.3. Net cash flows from/(used in) financing activities

Net cash flows used in financing activities in the first half of 2023 amounted to Euro 4,101 million (2022: Euro 3,389 million obtained) and included mainly:

- Cash flows from equity instruments:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Acquisition of non-controlling interests in Energías Especiales de Peña Armada, S.A.U. and Energías Especiales de Careón, S.A.	6.1	—	(7)
Contribution by equity holders at Endesa X Way, S.L.		(2)	(3)
Contributions by equity holders of direct and/or indirect investees of Enel Green Power España, S.L.U. (EGPE)		(11)	(5)
Return of funds from Bosa del Ebro, S.L.	32.2	—	(2)
TOTAL		(13)	(17)

- Drawdowns of non-current borrowings:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Drawdowns of bank loans and credit facilities.		675	675
Drawdowns on loans and credit facilities from Enel Finance International, N.V.		1,875	1,650
Drawdowns of loan facilities from the European Investment Bank (EIB) and Official Credit Institute (ICO)		—	550
Other		49	18
TOTAL	37.3	2,599	2,893

- Repayments of non-current borrowings:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Repayment of bank loans and credit facilities		(525)	–
Repayment of loans and credit facilities from Enel Finance International, N.V.		(450)	–
Other		(11)	(5)
TOTAL	37.3	(986)	(5)

- Disposiciones y amortizaciones de deuda financiera corriente:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Drawdowns			
Euro Commercial Paper (ECP) issues	37.4.2	8,049	10,948
Drawdowns of bank loans and credit facilities.		–	1,400
Other financial liabilities		305	19
Repayments/redemptions			
Redemptions of Euro Commercial Paper (ECP) issue	37.4.2	(12,618)	(11,137)
Payments of right-of-use contracts		(50)	(45)
Repayments of bank loans and credit facilities		(200)	–
Repayments of loan facilities from the European Investment Bank (EIB) and Official Credit Institute (ICO)		(132)	(98)
Other financial liabilities		(1,031)	(33)
TOTAL	37.3	(5,677)	1,054

- Dividends paid:

Millions of Euro

	Notes	January-June 2023	January-June 2022
Dividends of the Parent paid	32.1.4	–	(529)
Dividends paid to non-controlling Interests ⁽¹⁾	32.2	(24)	(7)
TOTAL		(24)	(536)

⁽¹⁾ Corresponds to companies of Enel Green Power España, S.L.U. (EGPE).

41. Related party balances and transactions

Related parties are parties over which Endesa, directly or indirectly via one or more intermediate companies, exercises control or joint control or has significant influence, or which are key management personnel of Endesa.

Endesa's key management personnel include employees with the authority and responsibility to plan, direct and control Endesa's business either directly or indirectly, including any member of the Board of Directors.

Transactions between the Company and its subsidiaries and jointly controlled entities, which are related parties, form part of the Company's normal business activities (in terms of their purpose and conditions) and were eliminated on consolidation.

Therefore, they are not disclosed in this Note. For information purposes, all companies comprising the Enel Group and not included in Endesa's consolidated financial statements were considered significant shareholders.

The amount of transactions carried out with other parties related to certain members of the Board of Directors corresponds to the Company's normal business activities which were, in all cases, carried out on an arm's length basis.

All transactions with related parties are carried out on an arm's length basis.

41.1. Expenses and income and other transactions

Significant balances and transactions carried out with related parties in the six months ended 30 June 2023 and 2022 were as follows:

41.1.1. Expenses and income

Millions of Euro

	January-June 2023				
	Significant shareholders	Directors and Senior Management	Endesa employees, companies or entities	Other related parties	Total
Finance costs	92	—	—	—	92
Leases	—	—	—	—	—
Services received	23	—	—	—	23
Purchases of inventories	81	—	—	—	81
Other expenses	969	—	—	—	969
Expenses on energy commodity derivatives ⁽¹⁾	925	—	—	—	925
Power purchases	9	—	—	—	9
Management or cooperation agreements	35	—	—	—	35
TOTAL EXPENSES	1,165	—	—	—	1,165
Finance income	2	—	—	—	2
Dividends received	—	—	—	—	—
Services rendered	2	—	—	—	2
Sales of inventories	134	—	—	—	134
Other revenue	565	—	—	—	565
Income on energy commodity derivatives ⁽¹⁾	561	—	—	—	561
Power sales	2	—	—	—	2
Management or cooperation agreements	1	—	—	—	1
Leases	1	—	—	—	1
Other	—	—	—	—	—
TOTAL INCOME	703	—	—	—	703

⁽¹⁾ Includes Euro 240 million recognised in other comprehensive income.

Millions of Euro

	Notes	January-June 2022				Total
		Significant shareholders	Directors and Senior Management	Endesa employees, companies or entities	Other related parties	
Finance costs		59	—	—	—	59
Leases		—	—	—	—	—
Services received		25	—	—	—	25
Purchases of inventories		25	—	—	—	25
Other expenses		2,059	—	—	—	2,059
Expenses on energy commodity derivatives ⁽¹⁾		1,995	—	—	—	1,995
Power purchases		31	—	—	—	31
Management or cooperation agreements		33	—	—	—	33
TOTAL EXPENSES		2,168	—	—	—	2,168
Finance income		13	—	—	—	13
Dividends received		—	—	—	—	—
Services rendered		4	—	—	—	4
Sales of inventories		31	—	—	—	31
Other revenue		866	—	—	—	866
Income on energy commodity derivatives ⁽¹⁾		738	—	—	—	738
Power sales		5	—	—	—	5
Management or cooperation agreements		1	—	—	—	1
Leases		1	—	—	—	1
Other ⁽²⁾	6.2 and 12	121	—	—	—	121
TOTAL INCOME		914	—	—	—	914

⁽¹⁾ Includes Euro 789 million recognised in other comprehensive income.

⁽²⁾ Includes Euro 121 million of gross gains on the sale of the 51% stake in Endesa X Way, S.L. to Enel X Way, S.r.l.

41.1.2. Other transactions

Millions of Euro

	Notes	30 June 2023				Total
		Significant shareholders	Directors and Senior Management	Endesa employees, companies or entities	Other related parties	
Financing agreements: Loans and capital contributions (lender)		—	1	—	—	1
Financing agreements: Loans and capital contributions (borrower) ⁽¹⁾		10,165	—	—	—	10,165
Guarantees and deposits provided		—	7	—	—	7
Guarantees and deposits received ⁽²⁾	28.2	125	—	—	—	125
Commitments acquired ⁽³⁾	18.2 and 20.2	84	—	—	—	84
Dividends and other distributions	32.1.4	—	—	—	—	—
Other transactions ⁽⁴⁾		14	—	—	45 ⁽⁵⁾	59

⁽¹⁾ Corresponds to the outstanding balance of loans and credit facilities arranged and drawn down with Enel Finance International N.V. amounting to Euro 6,525 million. Endesa has also arranged committed and irrevocable credit facilities with Enel Finance International N.V. for Euro 3,525 million, of which no amount had been drawn down at 30 June 2023 (see Notes 37.4.1 and 37.4.2). In addition, at 30 June 2023, it included the Credit Support Annex entered into with Enel Global Trading S.p.A. for derivative financial instrument transactions on the energy markets for a total of Euro 115 million.

⁽²⁾ Includes the guarantee received from Enel, S.p.A. for performance of the contract for the purchase of liquefied natural gas (LNG) from Corpus Christi Liquefaction, LLC.

⁽³⁾ Corresponds to commitments acquired with Group companies (see Notes 18.2 and 20.2). Includes, among others, the commitment acquired with Enel Global Infrastructure and Networks S.r.l. (EGIN) relating to the licence to use the Blue Sky Grid Platform in the amount of Euro 77 million.

⁽⁴⁾ Includes purchases of property, plant and equipment, intangible assets or other assets.

⁽⁵⁾ Corresponds to payments made to the Endesa employee pension plan in the January-June 2023 period.

Millions of Euro

							30 June 2022
	Notes	Significant shareholders	Directors and Senior Management	Endesa employees, companies or entities	Other related parties		Total
Financing agreements: Loans and capital contributions (lender)		–	1	–	–		1
Financing agreements: Loans and capital contributions (borrower) ⁽¹⁾		7,050	–	–	–		7,050
Guarantees and deposits provided		–	7	–	–		7
Guarantees and deposits received ⁽²⁾	28.2	131	–	–	–		131
Commitments acquired ⁽³⁾	20.2	67	–	–	–		67
Dividends and other distributions	32.1.4	371	–	–	–		371
Other transactions ⁽⁴⁾		147	–	–	39 ⁽⁵⁾		186

⁽¹⁾ Corresponds to the outstanding balance on intercompany loans arranged with Enel Finance International, N.V. Endesa has committed and irrevocable credit facilities with Enel Finance International N.V. of Euro 2,400 million at 30 June 2022 (see Notes 374.1 and 374.2).

⁽²⁾ Includes the guarantee received from Enel, S.p.A. for performance of the contract for the purchase of liquefied natural gas (LNG) from Corpus Christi Liquefaction, LLC.

⁽³⁾ Corresponds to the commitment acquired with Enel Global Infrastructure and Networks S.r.l (EGIN) relating to the license to use the Grid Blue Sky Platform.

⁽⁴⁾ Includes Euro 122 million for the price paid for the sale of the 51% stake in Endesa X Way, S.L. to Enel X Way, S.r.l. and Euro 20 million for the investment made in the period for the licence to use the Grid Blue Sky Platform with Enel Global Infrastructure and Networks S.r.l (EGIN) (see Note 20.1).

⁽⁵⁾ Corresponds to payments made to the Endesa employee pension plan in the January-June 2022 period.

In the six months ended 30 June 2023 and 2022, the Directors, or persons acting on their behalf, did not carry out any transactions with the Company or its other subsidiaries that were not part of their ordinary business activities or that were not carried out on an arm's length basis.

41.1.3. Balances at the reporting date

At 30 June 2023 and 31 December 2022, balances with related parties are as follows:

Millions of Euro

								30 June 2023
	Notes	Significant shareholders			Directors and Senior Management	Endesa employees, companies or entities	Other related parties	Total
		Enel Iberia, S.L.U.	Other significant shareholders	Total				
Customers and trade receivables	29	97	248	345	–	–	–	345
Loans and credits granted		–	–	–	1	–	–	1
Other receivables ⁽¹⁾		338	13	351	–	–	–	351
TOTAL RECEIVABLES		435	261	696	1	–	–	697
Suppliers and trade payables		1,188	422	1,610	–	–	–	1,610
Loans and credits received		–	6,634	6,634	–	–	–	6,634
Other payables ⁽¹⁾		818	3	821	–	–	–	821
TOTAL PAYABLES		2,006	7,059	9,065	–	–	–	9,065

⁽¹⁾ Includes the receivables and payables, respectively, of the Endesa companies that make up the consolidated tax group with number 572/10, whose parent company is Enel, S.p.A. and its representative in Spain is Enel Iberia, S.L.U.

Millions of Euro

	Notes	31 December 2022						Total
		Significant shareholders			Directors and Senior Management	Endesa employees, companies or entities	Other related parties	
		Enel Iberia, S.L.U.	Other significant shareholders	Total				
Customers and trade receivables	²⁹	132	1,165	1,297	–	–	–	1,297
Loans and credits granted		1	–	1	1	–	–	2
Other receivables ⁽¹⁾		47	42	89	–	–	–	89
TOTAL RECEIVABLES		180	1,207	1,387	1	–	–	1,388
Suppliers and trade payables		43	1,629	1,672	–	–	–	1,672
Loans and credits received		–	5,613	5,613	–	–	–	5,613
Other payables ⁽¹⁾		398	10	408	–	–	–	408
TOTAL PAYABLES		441	7,252	7,693	–	–	–	7,693

⁽¹⁾ Includes the receivables and payables, respectively, of the Endesa companies that make up the consolidated tax group with number 572/10, whose parent company is Enel, S.p.A. and its representative in Spain is Enel Iberia, S.L.U.

41.2. Associates, joint ventures and jointly controlled entities

Set out below are details at 30 June 2023 and 31 December 2022 of trade receivables for sales and services, loans and guarantees to Associates, Joint Ventures and Joint Operating Companies:

Millions of Euro

	Associates		Joint Ventures		Joint Operation	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Trade receivables for sales and services	4	6	2	7	–	–
Loans	62	60	7	1	6	6
Loans granted	–	–	–	–	–	–

In the six months ended 30 June 2023 and 2022, transactions carried out with associates, joint ventures and jointly controlled companies not eliminated on consolidation were as follows:

Millions of Euro

	Associates		Joint Ventures		Joint Operation	
	January–June 2023	January–June 2022	January–June 2023	January–June 2022	January–June 2023	January–June 2022
Revenue	1	1	–	1	–	–
Expenses	(16)	(12)	(13)	(12)	(18)	(10)

41.3. Remuneration and other benefits paid to Directors and Senior Management

Remuneration accrued by Directors

Remuneration accrued by Directors in the six months ended 30 June 2023 and 2022 was as follows:

Thousands of Euro

Item	Directors	
	January–June 2023	January–June 2022
Remuneration for membership of the Board of Directors and/or Board Committees	1,063	1,053
Salaries	500	480
Variable remuneration in cash	400	413
Share-based payment plans	142	130
Indemnities	–	–
Long-term saving systems	7	6
Other items	119	123
TOTAL	2,231	2,205

Advances and loans

At 30 June 2023, the Chief Executive Officer had a loan amounting to Euro 230 thousand bearing an average interest rate of 1.221% (31 December 2022: Euro 230 thousand with average interest of 0.0167%) and an interest-

free loan of Euro 421 thousand (31 December 2022: Euro 421 thousand) (interest subsidies are treated as remuneration in kind).

Remuneration accrued by Senior Management

Remuneration paid to Senior Managers in the six months ended 30 June 2023 and 2022 was as follows:

Thousands of Euro

Remuneration Item	Executives	
	January–June 2023	January–June 2022
Remuneration received	5,407	5,065
TOTAL⁽¹⁾	5,407	5,065

⁽¹⁾ Includes the amount corresponding to the discount for the purchase of shares of Euro 57 thousand and the discount corresponding to the canteen of Euro 3 thousand, as part of the Flexible Remuneration Plan (2022: Euro 78 thousand and Euro 1 thousand, respectively).

At 30 June 2023 and 2022, Senior Management comprised 16 people.

Other information

At 30 June 2023 and 31 December 2022, regarding remuneration the Company had not provided any guarantees to Senior Managers who are not also executive Directors.

At 30 June 2023 and 2022, the Company had covered the entire amount of pre-retirement and pension obligations with Directors and Senior Managers.

41.4. Other disclosures concerning the Board of Directors

In accordance with articles 229 and 529 duovicies of the Corporate Enterprises Act (Ley de Sociedades de Capital), members of the Board of Directors were not in any situations of direct or indirect conflict of interest with the Company in the first half of 2023.

Distribution by gender: At 30 June 2023, the Board of Directors of Endesa, S.A. comprised 12 Directors, 5 of whom are women (31 December 2022: 12 Directors, 5 of whom were women).

In the six months ended 30 June 2023 and 2022, the Company had arranged third-party liability insurance policies for Directors and Senior Managers for a gross amount of Euro 887 thousand and Euro 886 thousand, respectively. This insures both the Company's Directors and employees with management responsibilities.

41.5. Share-based payment schemes tied to the Endesa, S.A. share price

Endesa's long-term variable remuneration is based on long-term remuneration schemes, known as "Loyalty and Strategic Incentive Plans", aimed primarily at strengthening the commitment of employees, who occupy positions of greater responsibility in the achievement of the Group's strategic targets. The Plan is structured through successive three-year programmes, which start each year as of 1 January 2010. Since 2014, the Plans have foreseen a deferral of the payment and the need for the Executive to be active on the settlement date; payments are made on two dates: 30% of the incentive in the year following the end of the Plan, and the remaining 70%, if applicable, two years after the end of the Plan.

Once the accrual period of the Loyalty and Strategic Incentive Plans has ended, the only entitlement to payment of these will be in the event of retirement, termination of the fixed-term contract or decease, with payment being made at the corresponding time, and may be advanced to the heirs in the event of decease. For those Loyalty and Strategic Incentive Plans in which the accrual has not ended, only the amount corresponding to the Base Amount of the Incentive that has been assigned, "pro rata

temporis" until the date of termination of the contractual relationship, when the Exercise Conditions are met for departures due to retirement or termination of the fixed-term contract.

Information relating to Endesa's Strategic Incentive Plan 2021-2023 and Strategic Incentive Plan 2022-2024 is provided in Note 47.3.5 to the consolidated financial statements for the year ended 31 December 2022.

On 28 April 2023, the General Shareholders' Meeting of Endesa, S.A. approved a long-term variable remuneration plan known as the "Strategic Incentive Plan 2023-2025":

The purpose and characteristics of this plan are the same as those set forth in the "Strategic Incentive Plan 2021-2023" and the "Strategic Incentive Plan 2022-2024" described in Note 47.3.5 to the consolidated financial statements for the year ended 31 December 2022. The only differences are the performance period and the targets to which vesting is linked.

Therefore, the vesting of the "Strategic Incentive 2023-2025" is linked to the achievement of four targets during the performance period, which shall be three years as of 1 January 2023:

Targets

Vesting of the Strategic incentive 2023-2025

1. Performance of the average Total Shareholders Return (TSR) of Endesa, S.A. relative to the performance of the average TSR of the EuroStoxx Utilities index, selected as the benchmark for the peer group. This parameter has a 50% weight of the total incentive.
2. Target ROIC (Return on Invested Capital) – WACC (Weighted Average Cost of Capital), represented by the relationship between cumulative ordinary operating income (ordinary EBIT excluding the tax effect and average net capital invested (NCI) less WACC. This parameter has a 30% weight.
3. Reduction of Endesa's carbon dioxide (CO₂) emissions Spain and Portugal in 2025 (see Note 4.1). This parameter has a 10% weight in the incentive.
4. Percentage of women in management succession plans in 2025 This parameter has a 10% weight in the incentive.

⁽¹⁾ "Return on invested capital" (ROIC) (%) = Ordinary operating income (ordinary EBIT excluding the tax effect)/Average net capital invested (average NCI).

⁽²⁾ Ordinary operating income excluding the tax effect (ordinary EBIT excluding the tax effect) (Euro million) = Operating income (EBIT) corrected for extraordinary unbudgeted items after tax.

⁽³⁾ WACC (weighted average cost of capital) = Endesa's post-tax discount rate for the related period.

⁽⁴⁾ Average net capital invested (average NCI) (Euro million) = ((Equity + Net financial debt) n + (Equity + Net financial debt) n-1) / 2.

The amount vested by the Plans in force in the first half of 2023 was Euro 2 million (2022: Euro 2 million), of which Euro 1 million corresponded to the estimate of share-based payments to be settled in equity instruments (2022: Euro 1 million) and Euro 1 million to the estimate of cash-settled payments of the Plan (2022: Euro 1 million).

Other equity instruments" under Equity in the Statement of Financial Position includes the changes in the six months ended 30 June 2023. The balance at 30 June 2023 was Euro 5 million.

42. Purchase commitments and third-party guarantees and other commitments

At 30 June 2023 and 31 December 2022, guarantees had been provided to third parties for the following items and amounts, with information on future purchase commitments, as follows:

Millions of Euro

	Notes	30 June 2023	31 December 2022
Guarantees provided to third parties:			
Derivative financial instruments transactions in energy markets		—	2,000 ⁽¹⁾
Property, plant and equipment as guarantee for financing received	18.3 and 374.3	43	70
Short- and long-term gas contracts		338	445
Energy contracts		62	62
Lease agreement for methane tanker		101	161
Contracts to trade in financial markets		40	40
Supply contracts for other inventories		23	23
Associates, joint ventures and jointly controlled entities		3	3
TOTAL⁽²⁾		610	2,804
Future electricity purchase commitments:			
Property, plant and equipment	18.2	1,352	1,100
Intangible assets	20.2	173	102
Financial investments		—	—
Services rendered	24.1	12	18
Purchases of energy commodities and others	28.2	19,798	22,942
Energy commodities		19,456	22,583
Electricity		—	—
Carbon dioxide (CO ₂) emission allowances		281	296
Other inventories		61	63
TOTAL		21,335	24,162

⁽¹⁾ Relates to the counter-guarantee provided by Endesa, S.A. to Enel, S.p.A. to secure the guarantee previously provided by Enel, S.p.A. to Endesa Generación, S.A.U. (for the fulfilment of the obligations of the latter with third parties, derived from the operating rules of operation of the national or international organised gas and electricity markets in which it participates), for an amount of up to Euro 2,000 million, with a duration until 30 June 2023.

⁽²⁾ Does not include bank guarantees provided to third parties.

Endesa considers that any additional liabilities arising from guarantees provided at 30 June 2023 would not be material.

There are no further commitments to those described in Notes 18, 20, 24 and 28 to these interim condensed consolidated financial statements.

The Company's Directors consider that Endesa will be able to fulfil these obligations and, therefore, they do not expect any contingency to arise in this respect.

43. Headcount

43.1. Final headcount

Endesa's final headcount:

Number of employees

	Final headcount					
	30 June 2023			31 December 2022		
	Men	Women	Total	Men	Women	Total
Executives	163	44	207	169	40	209
Middle management	2,468	1,351	3,819	2,477	1,330	3,807
Administration and management personnel and workers	4,180	1,065	5,245	4,174	1,068	5,242
TOTAL EMPLOYEES	6,811	2,460	9,271	6,820	2,438	9,258

Number of employees

	Final headcount					
	30 June 2023			31 December 2022		
	Men	Women	Total	Men	Women	Total
Generation and Supply	3,803	1,270	5,073	3,838	1,264	5,102
Distribution	2,304	500	2,804	2,265	490	2,755
Structure and other ⁽¹⁾	704	690	1,394	717	684	1,401
TOTAL EMPLOYEES	6,811	2,460	9,271	6,820	2,438	9,258

⁽¹⁾ Structure and services.

43.2. Average headcount

Endesa's average headcount:

Number of employees

	Average headcount					
	January–June 2023			January–June 2022		
	Men	Women	Total	Men	Women	Total
Executives	165	43	208	194	52	246
Middle management	2,423	1,309	3,732	2,421	1,241	3,662
Administration and management personnel and workers	4,114	1,045	5,159	4,193	1,063	5,256
TOTAL EMPLOYEES	6,702	2,397	9,099	6,808	2,356	9,164

Number of employees

	Average headcount					
	January–June 2023			January–June 2022		
	Men	Women	Total	Men	Women	Total
Generation and Supply	3,768	1,237	5,005	3,783	1,220	5,003
Distribution	2,245	486	2,731	2,309	462	2,771
Structure and other ⁽¹⁾	689	674	1,363	716	674	1,390
TOTAL EMPLOYEES	6,702	2,397	9,099	6,808	2,356	9,164

⁽¹⁾ Structure and services.

The average number of employees in Jointly Controlled Entities in the six months ended 30 June 2023 and 2022 was 781 and 791, respectively.

The average number of persons employed in 2023 and 2022 with a disability of a severity greater than or equal to 33% was as follows:

Number of employees

	Average headcount with disabilities ⁽¹⁾					
	January–June 2023			January–June 2022		
	Men	Women	Total	Men	Women	Total
Executives	1	–	1	1	–	1
Middle management	26	7	33	23	5	28
Administration and management personnel and workers	40	14	54	38	14	52
TOTAL EMPLOYEES	67	21	88	62	19	81

⁽¹⁾ Greater than or equal to 33%.

44. Contingent assets and liabilities

In the six months ended 30 June 2023, significant changes took place in litigation and arbitration proceedings involving Endesa companies described in Note 51 to the consolidated financial statements for the year ended 31 December 2022:

- The Supreme Court delivered its judgement no. 212/2022 on 21 February, in the appeal lodged by Endesa, S.A., Endesa Energía, S.A.U. and Energía XXI Comercializadora de Referencia, S.L.U., and in the appeals filed by other electricity sector companies against the obligation set out in Article 45.4 of Electricity Sector Law 24/2013, of 26 December, Royal Decree Law 7/2016, of 23 December, and Royal Decree 897/2017, of 6 October, to finance the cost of the Social Bonus, and to co-finance, alongside the government, the supply of electricity to severely vulnerable consumers subject to the Last Resort Tariffs (LRTs) and who are at risk of social exclusion. It is an appeal filed against the third system to finance the Social Bonus, whereby the obligation was imposed to finance the parents of company groups that carry out electricity supply activities, or the companies themselves that do so if they do not form part of a corporate group. In particular, the Supreme Court partially upheld the appeal declaring (i) inapplicable the Social Bonus financing system and the cofinancing system with the administrations for the supply of severely vulnerable consumers that avail themselves of the Last Resort Tariff (LRT) and that are at risk of social exclusion; (ii) articles 12 to 17 of Royal Decree 897/2017, of 6 October, to be inapplicable and null and void. In turn, the following is acknowledged, (iii) the right of the complainant to be compensated for the amounts paid to finance the Social Bonus and for cofinancing with the public administrations, so that all amounts paid in this regard are refunded discounting the amounts that, where appropriate, had been passed on to customers. Lastly, the following is declared: (iv) the right of the complainant to be compensated for the amounts invested to implement the procedure to request, check and manage the Social Bonus, together with the amounts paid to apply this procedure, discounting those amounts that, where appropriate, would have been passed on to the customers. The Supreme Court issued a ruling on 24 March 2022 dismissing the request to rectify or complement the judgment proposed by the State Legal Service, so that the government can continue to charge the relevant parties for the corresponding financing cost, as the financing system has been removed from the system. However, the Supreme Court confirms that: *«despite the declaration of inapplicability and annulment of the legal rules and*

regulations governing the system to finance the Social Bonus, the prevalence of the discount obligation in the price of electricity supplied to the vulnerable consumers will continue to generate for certain companies, even after the ruling, payments whose processing and compensation must be addressed in the new legal system to finance the Social Bonus which is established, to substitute that currently declared inapplicable, or a specific rule approved for this purpose». By Order of 24 May 2022, the judgment was deemed to have been received by the responsible body, indicating that the ruling must be honoured by the Sub directorate General for Electricity. In view of the inactivity of the administration, on 10 November 2022, a writ of enforcement was filed. Subsequently, via an Order of 9 January 2023, a report was received from the Ministry of Ecological Transition and the Demographic Challenge ("MITECO") on the state of enforcement of the Ruling, and companies were given notice to state, within 10 days, whether the Administration has set the amounts to be paid in compensation. On 24 January 2023, a written statement of allegations was submitted, together with the corresponding reports, and requested access to the report prepared by the Spanish Markets and Competition Commission ("CNMC") on which the Ministry of Ecological Transition and the Demographic Challenge ("MITECO") based its report on the state of enforcement of the ruling, while reserving the right to make further pleadings in view of the aforementioned report. On 29 March 2023, a new written submission was filed with the Supreme Court, requesting (i) the immediate payment of the undisputed amount of compensation claimed, (ii) the report of the National Commission of Markets and Competition ("CNMC") the Ministry for the Ecological Transition and the Demographic Challenge ("MITECO") used to prepare its report on the state of execution of the sentence (as has been repeatedly requested) and (iii) the State Lawyer is summoned to make pleadings and proceed to the ratification of the expert reports presented. On 26 May 2023, the Supreme Court handed down a ruling agreeing, inter alia, the following: (i) to initiate enforcement of the ruling, (ii) to order the Ministry for the Ecological Transition and the Demographic Challenge ("MITECO") to submit the report of the Spanish Markets and Competition Commission ("CNMC") dated 24 March 2022 as requested, (iii) to partially uphold the motion filed by Endesa declaring Energía XXI Comercializadora de Referencia, S.L.U.'s entitlement to be paid an amount of Euro 152 million, plus legal interest calculated from the date of payment until the date of reimbursement, in connection with reference provided

for in section four of the operative part of the ruling; (iv) to order the Ministry for the Ecological Transition and the Demographic Challenge ("MITECO") to quantify, within a maximum period of one month, the amount payable to the appellant as compensation for the share of Endesa's free supplier of the cost of financing the Social Bonus after deducting any applicable amount that would have been passed on to customers, (v) to order the Ministry for the Ecological Transition and the Demographic Challenge ("MITECO") to quantify, as quickly as possible, the amount to be paid to the appellant for amounts invested to implement the procedure to request, check and manage the Social Bonus application and, within a maximum period of two months, pay the appellant the appropriate amount plus legal interest in the terms specified in the verification and management procedure for the Social Subsidy and to pay the appellant the appropriate amount for this item within a maximum period of 2 months, plus legal interest in the terms indicated in the operative part of the ruling.

- On 14 December 2020, the Competition Directorate of the Spanish Markets and Competition Commission ("CNMC") notified Enel Green Power España, S.L.U. (EGPE) and its parent, Endesa Generación, S.A.U. of the filing of disciplinary proceedings for the alleged abuse of dominant position by Enel Green Power España, S.L.U. (EGPE) on the market to access and connect to the transmission network in certain hubs with effects on the related electricity generation market. According to the Spanish Markets and Competition Commission ("CNMC"), Enel Green Power España, S.L.U. (EGPE) allegedly used its status as a Single Hub Partner ("IUN") to favour companies in its own Group to the detriment of third-party generators.

Enel Green Power España, S.L.U. (EGPE) put forward arguments stating that it had no position of dominance in the access and connection transmission grid market, nor had the figure of Single Hub Partner been granted decision-making powers, or any discretion in the processing of access to the grid, as recognised by the Spanish Markets and Competition Commission ("CNMC") itself in many cases, and it is thus included in the sectoral regulations providing the System Operator with exclusive power to respond to and analyse requests for connection to the transmission grid. Enel Green Power España, S.L.U. (EGPE) considers that there has been no exclusionary effect, nor any market closure, and the alleged abusive practice must be dismissed outright, as it does not fall within the scope of Article 2 of Spanish Law 15/2007, on the Defence of Competition. Following the investigation into the sanctioning proceedings, delivery of the Proposed Ruling and submission of the corresponding allegations by Enel Green Power España, S.L.U. (EGPE), on 10 June 2022, the Spanish Markets and Competition Commission ("CNMC") issued a decision,

ordering Enel Green Power España, S.L.U. (EGPE) and, jointly and severally, its parent company Endesa Generación, S.A.U., to pay a total fine of Euro 5 million for committing two very serious infringements contrary to Article 2 of Law 15/2007, of 3 July, on the Defence of Competition ("LDC"), involving an alleged abuse of a dominant position by Enel Green Power España, S.L.U. (EGPE), in its capacity as Single Hub Partner, in the market for access and connection to the transmission grid at the Tajo de la Encantada and Lastras substation hubs. On 29 July 2022, Enel Green Power España, S.L.U. (EGPE) and Endesa Generación S.A.U. lodged an appeal with the Spanish National Court (Audiencia Nacional) against the aforementioned sanctioning resolution of 10 June 2022 and, in turn, requested the precautionary suspension of section three of the ruling relating to payment of the fines imposed. By virtue of Court Order dated 13 December 2022, the Spanish National Court agreed to suspend enforcement of the fine, subject to the posting of sufficient security by the appellants. A statement of claim was filed on 20 April 2023 and is currently pending a response by the State Lawyer.

- In the course of the price review procedure of a long-term liquefied natural gas supply contract initiated by Endesa Generación S.A.U., the respondent, a liquefied natural gas production company, has initiated, filed a counter-claim requesting payment of approximately USD 1,270 million. This amount could be subject to revision depending on market developments in the coming months and until the conclusion of the arbitration, which is expected to occur in the third quarter of 2023. The Company considers this counterclaim to be unfounded and untimely, and its external legal advisors are of the opinion that the likelihood of the counterclaim being upheld is remote.
- In the course of the price review procedure of a long-term liquefied natural gas supply contract, the counterparty, a liquefied natural gas production company, initiated, in March 2023, an arbitration against Endesa Generación, S.A.U., requesting a payment of approximately USD 557 million. This amount could be subject to revision depending on market developments in the coming months and until the conclusion of the arbitration, which is expected to occur in the second half of 2024. The Company believes that this claim is not sufficiently substantiated.
- In relation to the inspection process for 2011-2014, definitive income tax and VAT settlement agreements from the Income Tax and VAT tax consolidation Groups to which Endesa, S.A. belongs and for personal income tax withholdings of each of the inspected companies were received on 9 July 2018 and they are appealed before the National Court on 3 June 2022. The items under dispute stem mainly from the difference in criteria regarding the deductibility of plant

decommissioning expenses, certain financial expenses and certain losses arising from the transfer of holdings in the period inspected and the tax deductibility of Value Added Tax under the pro rata rule. The contingency associated with the process is Euro 41 million. A guarantee was available to secure suspension of both debts. However, once the request for precautionary suspension of the VAT settlement agreement was rejected, dated 5 June 2023, the amount was paid. The guarantee securing suspension of the debt for the income tax settlement agreement is still available.

The Directors of Endesa consider that the provisions recognised in the interim condensed consolidated financial statements for the six months ended 30 June 2023 adequately cover the risks relating to litigation, arbitration and claims, and they do not expect any additional liabilities to arise other than those already recognised.

Given the nature of the risks covered by these provisions, it is impracticable to determine a reasonable timetable of payment dates, if any. Payments made to settle litigation in the six months ended 30 June 2023 amounted to Euro 17 million (2022: Euro 40 million).

45. Events after the reporting period

In relation to the dispute described in Note 51 of the Notes to the Annual Accounts for the year ended 31 December 2022 concerning a formal State aid investigation procedure initiated by the Directorate General for Competition of the European Commission, in order to determine whether or not the environmental investment incentive for coal-fired power stations provided for in Order ITC/3860/2007 of 28 December 2007 constitutes State aid incompatible with the internal market, on 13 July 2023, the Advocate General, G. Pitruzzella, delivered his Opinion proposing that the Court of Justice annul the contested Judgment and the Commission's Decision to open a formal State aid investigation procedure. Pitruzzella delivered his Opinion proposing that the Court of Justice should set aside the judgment under appeal and the Commission's decision to initiate the formal investigation procedure. According to the Advocate General, (i) the Commission's decision is vitiated by a lack of reasoning as regards the selective nature of the measure. And, in any event, (ii) the absence of a comparative analysis in the decision would also make it possible to consider that the decision is vitiated by a manifest error of assessment. The Court of Justice of the European Union must now give judgment.

On 17 July 2023, Order TED/796/2023 of 13 July was published, by means of which the Ministry for Ecological

Transition and the Demographic Challenge ("MITECO") authorised the start of the dismantling of the Santa María de Garoña Nuclear Power Plant. This Order also authorises the transfer of ownership of the facility from Nuclenor, S.A. to Empresa Nacional de Residuos Radiactivos, S.A. S.M.E. (Enresa), which is responsible for the dismantling. This transfer took place on 19 July 2023. The project, reported favourably in May 2023 by the Nuclear Safety Council, consists of two phases and runs until 2033.

As a consequence of the above, the activity of Nuclenor, S.A., which consisted of operating the Nuclear Power Plant it owned at Santa María de Garoña, changes and from the date on which it formalises the transfer of ownership of this facility, it will focus on collaborating with Empresa Nacional de Residuos Radiactivos, S.A. S.M.E. (Enresa) in the operation, maintenance, dismantling and decommissioning of the Santa María de Garoña Nuclear Power Plant.

Except as mentioned in the preceding paragraphs, there have been no significant subsequent events between 30 June 2023 and the date of approval of these Interim Condensed Consolidated Financial Statements that have not been reflected in these Interim Consolidated Financial Statements.

46. Explanation added for translation to English

These Interim Condensed Consolidated Financial Statements are presented on the basis of IFRSs, as adopted by the European Union. Consequently, certain accounting practices applied by the Group that conform







to IFRSs may not conform to other generally accepted accounting principles in other countries. Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevail.


















Appendix I: Endesa's companies and material shareholdings

Set out below are the companies comprising Endesa at 30 June 2023.

Endesa companies' core business are classified into the following categories:

Key

Activity	Description	Activity	Description	Activity	Description
	Conventional generation		Energy supply		Distribution
	Renewable generation		Marketing of other products and services		Structure and services

Company name	Registered office	Share capital	Activity	Consolidation/ accounting method
PARENT				
ENDESA, S.A.	MADRID (SPAIN)	EUR 1,270,502,540.40		HOLDING COMPANY
COMPANIES				
AGUILÓN 20, S.A.	ZARAGOZA (SPAIN)	EUR 2,682,000.00		FC
ARAGONESA DE ACTIVIDADES ENERGÉTICAS, S.A. (SOCIEDAD UNIPERSONAL)	TERUEL (SPAIN)	EUR 60,100.00		FC
ARANORT DESARROLLOS, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,010.00		FC
ARENA GREEN POWER 1, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA GREEN POWER 2, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA GREEN POWER 3, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA GREEN POWER 4, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA GREEN POWER 5, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA POWER SOLAR 11, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA POWER SOLAR 12, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA POWER SOLAR 13, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA POWER SOLAR 20, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA POWER SOLAR 33, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA POWER SOLAR 34, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ARENA POWER SOLAR 35, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ASOCIACIÓN NUCLEAR ASCÓ-VANDELLÓS II, A.I.E.	TARRAGONA (SPAIN)	EUR 19,232,400.00		PC


























Shareholders	% ownership at 30/06/2023		% ownership at 31/12/2022		Auditor
	Control	Economic	Control	Economic	
		100.00		100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	51.00	51.00	51.00	51.00	KPMG AUDITORES
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	85.41	85.41	85.41	85.41	KPMG AUDITORES

Company name	Registered office	Share capital	Activity	Consolidation/ accounting method
ATECA RENOVABLES, S.L.	MADRID (SPAIN)	EUR 3,000.00		M.O. (JV)
BAIKAL ENTERPRISE, S.L. (SOCIEDAD UNIPERSONAL)	PALMA DE MALLORCA (SPAIN)	EUR 3,006.00		FC
BALEARES ENERGY, S.L. (SOCIEDAD UNIPERSONAL)	PALMA DE MALLORCA (SPAIN)	EUR 4,509.00		FC
BAYLIO SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
BOSA DEL EBRO, S.L.	ZARAGOZA (SPAIN)	EUR 3,010.00		FC
BRAZATORTAS 220 RENOVABLES, S.L.	MADRID (SPAIN)	EUR 3,000.00		EM (A)
CAMPOS PROMOTORES RENOVABLES, S.L.	ALICANTE (SPAIN)	EUR 3,000.00		EM (JV)
CENTRAL HIDRÁULICA GÚEJAR-SIERRA, S.L.	SEVILLE (SPAIN)	EUR 364,213.34		EM (A)
CENTRAL TÉRMICA DE ANLLARES, A.I.E.	MADRID (SPAIN)	EUR 595,001.98		EM (A)
CENTRALES NUCLEARES ALMARAZ-TRILLO, A.I.E.	MADRID (SPAIN)	EUR 0.00		EM (A)
COGENERACIÓN EL SALTO, S.L. (IN LIQUIDATION)	ZARAGOZA (SPAIN)	EUR 36,060.73		EM (A)
COGENIO IBERIA, S.L.	MADRID (SPAIN)	EUR 2,874,621.80		EM (A)
COMERCIALIZADORA ELÉCTRICA DE CADIZ, S.A.	CADIZ (SPAIN)	EUR 600,000.00		EM (JV)
COMPAÑÍA EÓLICA TIERRAS ALTAS, S.A.	SORIA (SPAIN)	EUR 13,222,000.00		EM (A)
CORPORACIÓN EÓLICA DE ZARAGOZA, S.L.	ZARAGOZA (SPAIN)	EUR 271,652.00		EM (A)
DEHESA DE LOS GUADALUPES SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
DEHESA PV FARM 03, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
DEHESA PV FARM 04, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
DISTRIBUIDORA DE ENERGÍA ELÉCTRICA DEL BAGES, S.A.	BARCELONA (SPAIN)	EUR 108,240.00		FC
DISTRIBUIDORA ELÉCTRICA DEL PUERTO DE LA CRUZ, S.A. (SOCIEDAD UNIPERSONAL)	SANTA CRUZ DE TENERIFE (SPAIN)	EUR 12,621,210.00		FC
EDISTRIBUCIÓN REDES DIGITALES, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 1,204,540,060.00		FC
ELCOGAS, S.A. (IN LIQUIDATION)	CIUDAD REAL (SPAIN)	EUR 809,690.40		EM (A)
ELECGAS, S.A.	SANTARÉM (PORTUGAL)	EUR 50,000.00		EM (JV)
ELÉCTRICA DE JAFRE, S.A.	BARCELONA (SPAIN)	EUR 165,876.00		FC
ELÉCTRICA DE LIJAR, S.L.	CADIZ (SPAIN)	EUR 1,081,821.79		EM (JV)

Shareholders	% ownership at 30/06/2023		% ownership at 31/12/2022		Auditor
	Control	Economic	Control	Economic	
SEGUIDORES SOLARES PLANTA 2, S.L. (SOCIEDAD UNIPERSONAL)	15.35		15.35		
DEHESA DE LOS GUADALUPES SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	14.93	50.00	14.93	50.00	UNAUDITED
BAYLIO SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	19.72		19.72		
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	51.00	51.00	51.00	51.00	KPMG AUDITORES
FURATENA SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	16.98		16.98		
BAYLIO SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	16.98	33.96	16.98	33.96	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	25.30	25.30	25.30	25.30	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	33.33	33.33	33.33	33.33	GATT AUDITORES
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	33.33	33.33	33.33	33.33	UNAUDITED
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	24.18	24.18	24.18	24.18	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	20.00	20.00	20.00	20.00	UNAUDITED
ENDESA X SERVICIOS, S.L. (SOCIEDAD UNIPERSONAL)	20.00	20.00	20.00	20.00	DELOITTE
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	33.50	33.50	33.50	33.50	DELOITTE
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	3751	3751	3751	3751	ERNST & YOUNG
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	25.00	25.00	25.00	25.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
HIDROELÉCTRICA DE CATALUNYA, S.L. (SOCIEDAD UNIPERSONAL)	45.00	100.00	45.00	100.00	KPMG AUDITORES
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	55.00		55.00		
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	40.99	40.99	40.99	40.99	UNAUDITED
ENDESA GENERACIÓN PORTUGAL, S.A.	50.00	50.00	50.00	50.00	KPMG AUDITORES
HIDROELÉCTRICA DE CATALUNYA, S.L. (SOCIEDAD UNIPERSONAL)	47.46		47.46		
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	52.54	100.00	52.54	100.00	KPMG AUDITORES
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	AVANTER AUDITORES




















Company name	Registered office	Share capital	Activity	Consolidation/ accounting method
ELÉCTRICA DEL EBRO, S.A. (SOCIEDAD UNIPERSONAL)	BARCELONA (SPAIN)	EUR 500,000.00		FC
ELECTRICIDAD DE PUERTO REAL, S.A.	CADIZ (SPAIN)	EUR 4,960,246.40		EM (JV)
EMINTEGRAL CYCLE, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
EMPRESA CARBONÍFERA DEL SUR, ENCASUR, S.A. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 18,030,000.00		FC
EMPRESA DE ALUMBRADO ELÉCTRICO DE CEUTA DISTRIBUCIÓN, S.A. (SOCIEDAD UNIPERSONAL)	CEUTA (SPAIN)	EUR 9,335,000.00		FC
EMPRESA DE ALUMBRADO ELÉCTRICO DE CEUTA ENERGÍA, S.L. (SOCIEDAD UNIPERSONAL)	CEUTA (SPAIN)	EUR 10,000.00		FC
EMPRESA DE ALUMBRADO ELÉCTRICO DE CEUTA, S.A.	CEUTA (SPAIN)	EUR 16,562,250.00		FC
ENDESA CAPITAL, S.A. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 60,200.00		FC
ENDESA ENERGÍA RENOVABLE, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 100,000.00		FC
ENDESA ENERGÍA, S.A. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 14,445,575.90		FC
ENDESA FINANCIACIÓN FILIALES, S.A. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 4,621,003,006.00		FC
ENDESA GENERACIÓN II, S.A. (SOCIEDAD UNIPERSONAL)	SEVILLE (SPAIN)	EUR 63,107.00		FC
ENDESA GENERACIÓN NUCLEAR, S.A. (SOCIEDAD UNIPERSONAL)	SEVILLE (SPAIN)	EUR 60,000.00		FC
ENDESA GENERACIÓN PORTUGAL, S.A.	LISBON (PORTUGAL)	EUR 50,000.00		FC
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	SEVILLE (SPAIN)	EUR 1,940,379,737.02		FC
ENDESA INGENIERÍA, S.L. (SOCIEDAD UNIPERSONAL)	SEVILLE (SPAIN)	EUR 965,305.00		FC
ENDESA MEDIOS Y SISTEMAS, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 89,999,790.00		FC
ENDESA MOBILITY, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 10,000,000.00		FC
ENDESA OPERACIONES Y SERVICIOS COMERCIALES, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 10,138,577.00		FC
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 719,901,728.28		FC
ENDESA X SERVICIOS, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 32,396.00		FC
ENDESA X WAY, S.L.	MADRID (SPAIN)	EUR 600,000.00		EM (A)
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 11,152.74		FC
ENERGÍA BASE NATURAL, S.L. (SOCIEDAD UNIPERSONAL)	VALENCIA (SPAIN)	EUR 3,000.00		FC
ENERGÍA CEUTA XXI COMERCIALIZADORA DE REFERENCIA, S.A. (SOCIEDAD UNIPERSONAL)	CEUTA (SPAIN)	EUR 65,000.00		FC
ENERGÍA EÓLICA ÁBREGO, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,576.00		FC
ENERGÍA EÓLICA GALERNA, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,413.00		FC
ENERGÍA EÓLICA GREGAL, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,250.00		FC

Shareholders	% ownership at 30/06/2023		% ownership at 31/12/2022		Auditor
	Control	Economic	Control	Economic	
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	DELOITTE
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
EMPRESA DE ALUMBRADO ELÉCTRICO DE CEUTA, S.A.	100.00	96.42	100.00	96.42	KPMG AUDITORES
ENDESA ENERGÍA, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	96.42	96.42	96.42	96.42	KPMG AUDITORES
ENDESA, S.A.	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA ENERGÍA, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA, S.A.	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA, S.A.	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA, S.A.	100.00	100.00	100.00	100.00	UNAUDITED
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	99.20		99.20		
ENDESA ENERGÍA, S.A. (SOCIEDAD UNIPERSONAL)	0.20	100.00	0.20	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	0.60		0.60		
ENDESA, S.A.	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA, S.A.	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA, S.A.	100.00	100.00	—	—	—
ENDESA ENERGÍA, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA, S.A.	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA, S.A.	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA MOBILITY, S.L. (SOCIEDAD UNIPERSONAL)	49.00	49.00	49.00	49.00	KPMG AUDITORES
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
EMPRESA DE ALUMBRADO ELÉCTRICO DE CEUTA, S.A.	100.00	96.42	100.00	96.42	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED

Company name	Registered office	Share capital	Activity	Consolidation/ accounting method
ENERGÍA NETA SA CASETA LLUCMAJOR, S.L. (SOCIEDAD UNIPERSONAL)	PALMA DE MALLORCA (SPAIN)	EUR 9,000.00		FC
ENERGÍA XXI COMERCIALIZADORA DE REFERENCIA, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 2,000,000.00		FC
ENERGÍA Y NATURALEZA, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ENERGÍAS ALTERNATIVAS DEL SUR, S.L.	LAS PALMAS DE GRAN CANARIA (SPAIN)	EUR 546,919.10		FC
ENERGÍAS DE ARAGÓN I, S.L. (SOCIEDAD UNIPERSONAL)	ZARAGOZA (SPAIN)	EUR 3,200,000.00		FC
ENERGÍAS DE GRAUS, S.L.	ZARAGOZA (SPAIN)	EUR 1,298,160.00		FC
ENERGÍAS ESPECIALES DE CAREÓN, S.A.	LA CORUÑA (SPAIN)	EUR 270,450.00		FC
ENERGÍAS ESPECIALES DE PEÑA ARMADA, S.A. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 963,300.00		FC
ENERGÍAS ESPECIALES DEL ALTO ULLA, S.A. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 19,594,860.00		FC
ENERGÍAS ESPECIALES DEL BIERZO, S.A.	LEON (SPAIN)	EUR 1,635,000.00		EM (A)
ENERGÍAS LIMPIAS DE CARMONA, S.L.	SEVILLE (SPAIN)	EUR 7,000.00		EM (A)
ENERGIE ELECTRIQUE DE TAHADDART, S.A.	TANGIER (MOROCCO)	306,160,000.00 MAD		EM (JV)
ENIGMA GREEN POWER 1, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ENVATIOS PROMOCIÓN I, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ENVATIOS PROMOCIÓN II, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ENVATIOS PROMOCIÓN III, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
ENVATIOS PROMOCIÓN XX, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
EÓLICA VALLE DEL EBRO, S.A.	ZARAGOZA (SPAIN)	EUR 3,561,342.50		FC
EÓLICAS DE AGAETE, S.L.	LAS PALMAS DE GRAN CANARIA (SPAIN)	EUR 240,400.00		FC
EÓLICAS DE FUENCALIENTE, S.A.	LAS PALMAS DE GRAN CANARIA (SPAIN)	EUR 216,360.00		FC
EÓLICAS DE FUERTEVENTURA, A.I.E.	LAS PALMAS DE GRAN CANARIA (SPAIN)	EUR 4,558,426.83		EM (A)
EÓLICAS DE LA PATAGONIA, S.A.	CAPITAL FEDERAL (ARGENTINA)	480,930.00 ARS		EM (A)
EÓLICAS DE LANZAROTE, S.L.	LAS PALMAS DE GRAN CANARIA (SPAIN)	EUR 1,758,225.50		EM (A)
EÓLICAS DE TENERIFE, A.I.E.	SANTA CRUZ DE TENERIFE (SPAIN)	EUR 420,708.40		EM (A)
EÓLICOS DE TIRAJANA, S.L.	LAS PALMAS DE GRAN CANARIA (SPAIN)	EUR 3,000.00		FC
EPRESA ENERGÍA, S.A.	CADIZ (SPAIN)	EUR 2,500,000.00		EM (JV)

Shareholders	% ownership at 30/06/2023		% ownership at 31/12/2022		Auditor
	Control	Economic	Control	Economic	
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENDESA ENERGÍA, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	54.95	54.95	54.95	54.95	KPMG AUDITORES
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	66.67	66.67	66.67	66.67	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	97.00	97.00	97.00	97.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	KPMG AUDITORES
ENVATIOS PROMOCIÓN I, S.L. (SOCIEDAD UNIPERSONAL)	6.25		6.25		
ENVATIOS PROMOCIÓN II, S.L. (SOCIEDAD UNIPERSONAL)	6.25	18.75	6.25	18.75	UNAUDITED
ENVATIOS PROMOCIÓN III, S.L. (SOCIEDAD UNIPERSONAL)	6.25		6.25		
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	32.00	32.00	32.00	32.00	DELOITTE
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	50.50	50.50	50.50	50.50	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	80.00	80.00	80.00	80.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	55.00	55.00	55.00	55.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	40.00	40.00	40.00	40.00	ERNST & YOUNG
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	40.00	40.00	40.00	40.00	LUJAN AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	BDO AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	60.00	60.00	60.00	60.00	KPMG AUDITORES
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	DELOITTE





























Company name	Registered office	Share capital	Activity	Consolidation/ accounting method
EVACUACIÓN CARMONA 400-220 KV RENOVABLES, S.L.	SEVILLE (SPAIN)	EUR 10,003.00		EM (A)
EXPLOTACIONES EÓLICAS DE ESCUCHA, S.A.	ZARAGOZA (SPAIN)	EUR 3,505,000.00		FC
EXPLOTACIONES EÓLICAS EL PUERTO, S.A.	ZARAGOZA (SPAIN)	EUR 3,230,000.00		FC
EXPLOTACIONES EÓLICAS SANTO DOMINGO DE LUNA, S.A.	ZARAGOZA (SPAIN)	EUR 100,000.00		FC
EXPLOTACIONES EÓLICAS SASO PLANO, S.A.	ZARAGOZA (SPAIN)	EUR 5,488,500.00		FC
EXPLOTACIONES EÓLICAS SIERRA COSTERA, S.A.	ZARAGOZA (SPAIN)	EUR 8,046,800.00		FC
EXPLOTACIONES EÓLICAS SIERRA LA VIRGEN, S.A.	ZARAGOZA (SPAIN)	EUR 4,200,000.00		FC
FOTOVOLTAICA YUNCLILLOS, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
FRONT MARÍTIM DEL BESÒS, S.L.	BARCELONA (SPAIN)	EUR 6,000.00		EM (JV)
FRV CORCHITOS I, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 75,800.00		FC
FRV CORCHITOS II SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 22,000.00		FC
FRV GIBALBIN -JEREZ, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 23,000.00		FC
FRV TARIFA, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
FRV VILLALOBILLOS, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
FRV ZAMORA SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
FRV ZAMORA SOLAR 3, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
FUNDAMENTAL RECOGNIZED SYSTEMS, S.L. (SOCIEDAD UNIPERSONAL)	TERUEL (SPAIN)	EUR 3,000.00		FC
FURATENA SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
GAS Y ELECTRICIDAD GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	PALMA DE MALLORCA (SPAIN)	EUR 213,775,700.00		FC
GORONA DEL VIENTO EL HIERRO, S.A.	SANTA CRUZ DE TENERIFE (SPAIN)	EUR 30,936,736.00		EM (A)
GRINEO GESTIÓN CIRCULAR, S.L.	LEON (SPAIN)	EUR 3,000.00		EM (JV)
GUADARRANQUE SOLAR 4, S.L. (SOCIEDAD UNIPERSONAL)	SEVILLE (SPAIN)	EUR 3,006.00		FC
HIDROELÉCTRICA DE CATALUNYA, S.L. (SOCIEDAD UNIPERSONAL)	BARCELONA (SPAIN)	EUR 126,210.00		FC
HIDROELÉCTRICA DE OUROL, S.L.	LA CORUÑA (SPAIN)	EUR 1,608,200.00		EM (A)
HIDROFLAMICELL, S.L.	BARCELONA (SPAIN)	EUR 78,120.00		FC
HISPANO GENERACIÓN DE ENERGÍA SOLAR, S.L.	BADAJOS (SPAIN)	EUR 3,500.00		FC
INFRAESTRUCTURA DE EVACUACIÓN PEÑAFLORES 220 KV, S.L.	MADRID (SPAIN)	EUR 3,500.00		EM (JV)

Company name	Registered office	Share capital	Activity	Consolidation/ accounting method
INFRAESTRUCTURAS PUERTO SANTA MARÍA 220, S.L.	MADRID (SPAIN)	EUR 3,000.00		FC
INFRAESTRUCTURAS SAN SERVÁN SET 400, S.L.	MADRID (SPAIN)	EUR 90,000.00		EM (A)
INFRAESTRUCTURAS SAN SERVÁN 220, S.L.	MADRID (SPAIN)	EUR 12,000.00		EM (A)
INSTALACIONES SAN SERVÁN II 400, S.L.	MADRID (SPAIN)	EUR 11,026.00		EM (A)
KROMSCHROEDER, S.A.	BARCELONA (SPAIN)	EUR 627,126.00		EM (A)
LUCAS SOSTENIBLE, S.L.	MADRID (SPAIN)	EUR 1,099,775.00		EM (A)
MARÍA RENOVABLES, S.L.	ZARAGOZA (SPAIN)	EUR 3,000.00		EM (A)
MINGLANILLA RENOVABLES 400KV, A.I.E.	VALENCIA (SPAIN)	—		PC
MINICENTRALES DEL CANAL IMPERIAL-GALLUR, S.L.	ZARAGOZA (SPAIN)	EUR 1,820,000.00		EM (A)
MONTE REINA RENOVABLES, S.L.	MADRID (SPAIN)	EUR 4,000.00		EM (A)
NOVOLITIO RECUPERACIÓN DE BATERÍAS, S.L.	LEON (SPAIN)	EUR 180,000.00		EM (JV)
NUCLENOR, S.A.	BURGOS (SPAIN)	EUR 5,406,000.00		EM (JV)
OLIVUM PV FARM 01, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
OXAGESA, A.I.E. (EN LIQUIDACIÓN)	TERUEL (SPAIN)	EUR 6,010.12		EM (A)
PAMPINUS PV FARM 01, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
PARAVENTO, S.L.	LUGO (SPAIN)	EUR 3,006.00		FC
PARC EOLIC LA TOSSA-LA MOLA D'EN PASCUAL, S.L.	MADRID (SPAIN)	EUR 1,183,100.00		EM (A)
PARC EOLIC LOS ALIGARS, S.L.	MADRID (SPAIN)	EUR 1,313,100.00		EM (A)
PARQUE EÓLICO A CAPELADA, S.L. (SOCIEDAD UNIPERSONAL)	LA CORUÑA (SPAIN)	EUR 5,857,704.37		FC





Shareholders	% ownership at 30/06/2023		% ownership at 31/12/2022		Auditor
	Control	Economic	Control	Economic	
PUERTO SANTA MARÍA ENERGÍA I, S.L. (SOCIEDAD UNIPERSONAL)	50.00		50.00		UNAUDITED
PUERTO SANTA MARÍA ENERGÍA II, S.L. (SOCIEDAD UNIPERSONAL)	50.00	100.00	50.00	100.00	
BAYLIO SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	6.41		6.41		UNAUDITED
FURATENA SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	6.41	19.23	6.41	19.23	
ARANORT DESARROLLOS, S.L. (SOCIEDAD UNIPERSONAL)	6.41		6.41		
VALDECABALLERO SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	10.30		10.30		UNAUDITED
NAVALVILLAR SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	10.30	30.80	10.30	30.80	
CASTIBLANCO SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	10.20		10.20		
BAYLIO SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	7.94		7.94		UNAUDITED
FURATENA SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	7.94	23.81	7.94	23.81	
ARANORT DESARROLLOS, S.L. (SOCIEDAD UNIPERSONAL)	7.94		7.94		
ENDESA MEDIOS Y SISTEMAS, S.L. (SOCIEDAD UNIPERSONAL)	29.26	29.26	29.26	29.26	ILV AUDIT AND ADVISORY
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	35.29	35.29	35.29	35.29	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	45.36	45.36	—	—	—
ENERGÍA EÓLICA GALERNA, S.L. (SOCIEDAD UNIPERSONAL)	9.31		9.31		UNAUDITED
ENERGÍA EÓLICA GREGAL, S.L. (SOCIEDAD UNIPERSONAL)	9.31		9.31		
ENERGÍA EÓLICA ÁBREGO, S.L. (SOCIEDAD UNIPERSONAL)	7.98	36.16	7.98	36.16	
ENERGÍA BASE NATURAL, S.L. (SOCIEDAD UNIPERSONAL)	4.78		4.78		
ENERGÍA Y NATURALEZA, S.L. (SOCIEDAD UNIPERSONAL)	4.78		4.78		
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	36.50	36.50	36.50	36.50	UNAUDITED
FRV ZAMORA SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	20.58	20.58	20.58	20.58	UNAUDITED
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	45.00	45.00	45.00	45.00	UNAUDITED
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	ERNST & YOUNG
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	33.33	33.33	33.33	33.33	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	90.00	90.00	90.00	90.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	30.00	30.00	30.00	30.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	30.00	30.00	30.00	30.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES

Company name	Registered office	Share capital	Activity	Consolidation/ accounting method
PARQUE EÓLICO BELMONTE, S.A.	MADRID (SPAIN)	EUR 120,400.00		FC
PARQUE EÓLICO CARRETERA DE ARINAGA, S.A.	LAS PALMAS DE GRAN CANARIA (SPAIN)	EUR 1,007,000.00		FC
PARQUE EÓLICO DE BARBANZA, S.A.	LA CORUÑA (SPAIN)	EUR 3,606,072.63		FC
PARQUE EÓLICO DE SAN ANDRÉS, S.A.	LA CORUÑA (SPAIN)	EUR 552,920.00		FC
PARQUE EÓLICO DE SANTA LUCÍA, S.A.	LAS PALMAS DE GRAN CANARIA (SPAIN)	EUR 901,500.00		FC
PARQUE EÓLICO FINCA DE MOGÁN, S.A.	SANTA CRUZ DE TENERIFE (SPAIN)	EUR 3,810,340.00		FC
PARQUE EÓLICO MONTES DE LAS NAVAS, S.A.	MADRID (SPAIN)	EUR 6,540,000.00		FC
PARQUE EÓLICO MUNIESA, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,006.00		FC
PARQUE EÓLICO PUNTA DE TENO, S.A.	SANTA CRUZ DE TENERIFE (SPAIN)	EUR 528,880.00		FC
PARQUE EÓLICO SIERRA DEL MADERO, S.A.	MADRID (SPAIN)	EUR 7,193,970.00		FC
PEGOP-ENERGÍA ELÉCTRICA, S.A.	SANTARÉM (PORTUGAL)	EUR 50,000.00		EM (JV)
PRODUCTIVE SOLAR SYSTEMS, S.L. (SOCIEDAD UNIPERSONAL)	TERUEL (SPAIN)	EUR 3,000.00		FC
PRODUCTORA DE ENERGÍAS, S.A.	BARCELONA (SPAIN)	EUR 60,101.21		EM (A)
PROMOCIONES ENERGÉTICAS DEL BIERZO, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 12,020.00		FC
PROMOTORES MUDÉJAR 400KV, S.L.	ZARAGOZA (SPAIN)	EUR 3,000.00		EM (A)
PROYECTOS UNIVERSITARIOS DE ENERGÍAS RENOVABLES, S.L.	ALICANTE (SPAIN)	EUR 27,000.00		EM (A)
PUERTO SANTA MARÍA ENERGÍA I, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
PUERTO SANTA MARÍA ENERGÍA II, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
REBUILDING AGENTE REHABILITADOR, S.L.	MADRID (SPAIN)	EUR 250,000.00		EM (JV)
RENOVABLES ANDORRA, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
RENOVABLES BROVALES 400KV, S.L.	SEVILLE (SPAIN)	EUR 5,000.00		EM (A)

Shareholders	% ownership at 30/06/2023		% ownership at 31/12/2022		Auditor
	Control	Economic	Control	Economic	
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	50.17	50.17	50.17	50.17	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	80.00	80.00	80.00	80.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	75.00	75.00	75.00	75.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	82.00	82.00	82.00	82.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	66.33	66.33	66.33	66.33	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	90.00	90.00	90.00	90.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	75.50	75.50	75.50	75.50	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	52.00	52.00	52.00	52.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	58.00	58.00	58.00	58.00	KPMG AUDITORES
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	49.98	50.00	49.98	50.00	KPMG AUDITORES
ENDESA GENERACIÓN PORTUGAL, S.A.	0.02		0.02		
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	30.00	30.00	30.00	30.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	24.75		24.75		
RENOVABLES MEDIAVILLA, S.L. (SOCIEDAD UNIPERSONAL)	5.69	37.19	5.69	37.19	UNAUDITED
RENOVABLES LA PEDRERA, S.L. (SOCIEDAD UNIPERSONAL)	6.75		6.75		
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	33.33	33.33	33.33	33.33	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENDESA X SERVICIOS, S.L. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
DEHESA DE LOS GUADALUPES SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	6.24		6.24		
FURATENA SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	6.24		6.24		
BAYLIO SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	6.24	64.15	6.24	64.15	UNAUDITED
SEGUIDORES SOLARES PLANTA 2, S.L. (SOCIEDAD UNIPERSONAL)	6.24		6.24		
EMINTEGRAL CYCLE, S.L. (SOCIEDAD UNIPERSONAL)	16.99		16.99		
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	22.20		22.20		

Company name	Registered office	Share capital	Activity	Consolidation/ accounting method
RENOVABLES BROVALES SEGURA DE LEON 400 KV, S.L.	SEVILLE (SPAIN)	EUR 5,000.00		EM (A)
RENOVABLES LA PEDRERA, S.L. (SOCIEDAD UNIPERSONAL)	ZARAGOZA (SPAIN)	EUR 3,000.00		FC
RENOVABLES MANZANARES 400 KV, S.L.	MADRID (SPAIN)	EUR 5,000.00		EM (A)
RENOVABLES MEDIAVILLA, S.L. (SOCIEDAD UNIPERSONAL)	ZARAGOZA (SPAIN)	EUR 3,000.00		FC
RENOVABLES TERUEL, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
RIBINA RENOVABLES 400, S.L.	MADRID (SPAIN)	EUR 3,000.00		EM (A)
SALTO DE SAN RAFAEL, S.L.	SEVILLE (SPAIN)	EUR 462,185.88		EM (A)
SAN FRANCISCO DE BORJA, S.A.	ZARAGOZA (SPAIN)	EUR 60,000.00		FC
SANTO ROSTRO COGENERACIÓN, S.A. (EN LIQUIDACIÓN)	SEVILLE (SPAIN)	EUR 207,340.00		EM (A)
SAVANNA POWER SOLAR 4, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SAVANNA POWER SOLAR 5, S.L. (SOCIEDAD UNIPERSONAL)	SEVILLE (SPAIN)	EUR 3,000.00		FC
SAVANNA POWER SOLAR 6, S.L. (SOCIEDAD UNIPERSONAL)	SEVILLE (SPAIN)	EUR 3,000.00		FC
SAVANNA POWER SOLAR 9, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SAVANNA POWER SOLAR 10, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SAVANNA POWER SOLAR 12, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SAVANNA POWER SOLAR 13, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SECCIONADORA ALMODÓVAR RENOVABLES, S.L.	MÁLAGA (SPAIN)	EUR 5,000.00		EM (A)
SEGUIDORES SOLARES PLANTA 2, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,010.00		FC
SET CARMONA 400 KV RENOVABLES, S.L.	SEVILLE (SPAIN)	EUR 10,000.00		EM (A)
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 143,000.00		FC
SHARK POWER REN 4, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SHARK POWER REN 5, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SHARK POWER REN 6, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SHARK POWER REN 7, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SHARK POWER REN 8, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SHARK POWER REN 9, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SHARK POWER REN 10, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,000.00		FC
SISTEMA ELÉCTRICO DE CONEXIÓN VALCAIRE, S.L.	MADRID (SPAIN)	EUR 175,200.00		EM (A)

Shareholders	% ownership at 30/06/2023		% ownership at 31/12/2022		Auditor
	Control	Economic	Control	Economic	
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	31.03				
EMINTEGRAL CYCLE, S.L. (SOCIEDAD UNIPERSONAL)	33.02	64.05	—	—	—
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	27.86		27.86		
STONEWOOD DESARROLLOS, S.L. (SOCIEDAD UNIPERSONAL)	16.12	43.98	16.12	43.98	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	39.24	39.24	39.24	39.24	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	66.67	66.67	66.67	66.67	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	45.00	45.00	45.00	45.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	37.50	37.50	37.50	37.50	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	16.00	16.00	16.00	16.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
SHARK POWER, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	28.12	28.12	28.12	28.12	UNAUDITED

Company name	Registered office	Share capital	Activity	Consolidation/ accounting method
SISTEMAS ENERGÉTICOS MAÑÓN ORTIGUEIRA, S.A.	LA CORUÑA (SPAIN)	EUR 2,007,750.00		FC
SOCIEDAD EÓLICA DE ANDALUCÍA, S.A.	SEVILLE (SPAIN)	EUR 4,507,590.78		FC
SOCIEDAD EÓLICA EL PUNTAL, S.L.	SEVILLE (SPAIN)	EUR 3,286,000.00		EM (A)
SOCIEDAD EÓLICA LOS LANCES, S.A.	SEVILLE (SPAIN)	EUR 2,404,048.42		FC
SOLANA RENOVABLES, S.L.	MADRID (SPAIN)	EUR 6,246.00		EM (A)
SOTAVENTO GALICIA, S.A.	LA CORUÑA (SPAIN)	EUR 601,000.00		EM (A)
STONEWOOD DESARROLLOS, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 4,053,000.00		FC
SUGGESTION POWER, UNIPESSOAL, LDA.	LISBON (PORTUGAL)	EUR 50,000.00		FC
SUMINISTRADORA ELÉCTRICA DE CADIZ, S.A.	CADIZ (SPAIN)	EUR 12,020,240.00		EM (JV)
SUMINISTRO DE LUZ Y FUERZA, S.L.	BARCELONA (SPAIN)	EUR 2,800,000.00		FC
TAUSTE ENERGÍA DISTRIBUIDA, S.L.	ZARAGOZA (SPAIN)	EUR 60,508.00		FC
TECNATOM, S.A.	MADRID (SPAIN)	EUR 4,025,700.00		EM (A)
TEJO ENERGIA-PRODUÇÃO E DISTRIBUIÇÃO DE ENERGIA ELÉCTRICA, S.A.	LISBON (PORTUGAL)	EUR 5,025,000.00		EM (JV)
TERMOTEC ENERGÍA, A.I.E. (EN LIQUIDACIÓN)	VALENCIA (SPAIN)	EUR 481,000.00		EM (A)
TERRER RENOVABLES, S.L.	MADRID (SPAIN)	EUR 5,000.00		EM (JV)
TICO SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	ZARAGOZA (SPAIN)	EUR 3,000.00		FC
TICO SOLAR 2, S.L. (SOCIEDAD UNIPERSONAL)	ZARAGOZA (SPAIN)	EUR 3,000.00		FC
TOLEDO PV, A.I.E.	MADRID (SPAIN)	EUR 26,887.96		EM (A)
TORO RENOVABLES 400 KV, S.L.	MADRID (SPAIN)	EUR 3,000.00		EM (A)
TORREPALMA ENERGY 1, S.L. (SOCIEDAD UNIPERSONAL)	MADRID (SPAIN)	EUR 3,100.00		FC
TRANSFORMADORA ALMODOVAR RENOVABLES, S.L.	SEVILLE (SPAIN)	EUR 5,000.00		EM (A)
TRANSPORTES Y DISTRIBUCIONES ELÉCTRICAS, S.A. (EN LIQUIDACIÓN)	GERONA (SPAIN)	EUR 72,121.45		FC
TRÉVAGO RENOVABLES, S.L.	MADRID (SPAIN)	EUR 3,000.00		EM (A)
UNIÓN ELÉCTRICA DE CANARIAS GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	LAS PALMAS DE GRAN CANARIA (SPAIN)	EUR 190,171,521.16		FC
VIRULEIROS, S.L.	LA CORUÑA (SPAIN)	EUR 160,000.00		FC
YEDESA COGENERACIÓN, S.A. (EN LIQUIDACIÓN)	ALMERÍA (SPAIN)	EUR 234,394.72		EM (A)

FC: Full consolidation; PC: Proportionate consolidation; EM: Equity method; JV: Joint venture; A: Associate.

Shareholders	% ownership at 30/06/2023		% ownership at 31/12/2022		Auditor
	Control	Economic	Control	Economic	
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	96.00	96.00	96.00	96.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	64.73	64.73	64.73	64.73	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	50.00	50.00	50.00	50.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	60.00	60.00	60.00	60.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	39.90	39.90	49.84	49.84	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	36.00	36.00	36.00	36.00	AUDIESA
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	UNAUDITED
ENDESA GENERACIÓN PORTUGAL, S.A.	100.00	100.00	100.00	100.00	UNAUDITED
ENDESA RED, S.A. (SOCIEDAD UNIPERSONAL)	33.50	33.50	33.50	33.50	DELOITTE
HIDROELÉCTRICA DE CATALUNYA, S.L. (SOCIEDAD UNIPERSONAL)	60.00	60.00	60.00	60.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	51.00	51.00	51.00	51.00	KPMG AUDITORES
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	45.00	45.00	45.00	45.00	ERNST & YOUNG
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	43.75	43.75	43.75	43.75	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	45.00	45.00	45.00	45.00	UNAUDITED
SEGUIDORES SOLARES PLANTA 2, S.L. (SOCIEDAD UNIPERSONAL)	9.08		9.08		
DEHESA DE LOS GUADALUPES SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	8.83	29.57	8.83	29.57	UNAUDITED
BAYLIO SOLAR, S.L. (SOCIEDAD UNIPERSONAL)	11.66		11.66		
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	33.33	33.33	33.33	33.33	KPMG AUDITORES
FRV ZAMORA SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	8.28	8.28	8.28	8.28	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	60.53	60.53	60.53	60.53	UNAUDITED
EDISTRIBUCIÓN REDES DIGITALES, S.L. (SOCIEDAD UNIPERSONAL)	73.33	73.33	73.33	73.33	UNAUDITED
SEGUIDORES SOLARES PLANTA 2, S.L. (SOCIEDAD UNIPERSONAL)	17.77		17.77		
FURATENA SOLAR 1, S.L. (SOCIEDAD UNIPERSONAL)	17.73	35.50	17.73	35.50	UNAUDITED
ENDESA GENERACIÓN, S.A. (SOCIEDAD UNIPERSONAL)	100.00	100.00	100.00	100.00	KPMG AUDITORES
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	67.00	67.00	67.00	67.00	UNAUDITED
ENEL GREEN POWER ESPAÑA, S.L. (SOCIEDAD UNIPERSONAL)	40.00	40.00	40.00	40.00	UNAUDITED

4.

Limited Review Report on the Individual Interim Condensed Financial Statements



Limited Review Report on Endesa, S.A.

(Together with the individual interim condensed financial statements and management report of Endesa, S.A. for the six-month period ended 30.06.2023)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)



KPMG Auditores, S.L.
Paseo de la Castellana, 259C
24046 Madrid

Independent Auditor's Report on Limited Review of Individual Interim Condensed Financial Statements

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of Endesa, S.A., commissioned by the Directors of Endesa, S.A.

REPORT ON LIMITED REVIEW OF INDIVIDUAL INTERIM CONDENSED FINANCIAL STATEMENTS

Introduction

We have carried out a limited review of the accompanying individual interim condensed financial statements (hereinafter the "interim financial statements") of Endesa, S.A. (the "Company"), which comprise the statement of balance sheet at 30 June 2023, and the income statement, statement of changes in equity and statement of cash flows for the six-month period then ended, and explanatory notes (all condensed and interim). The Directors of the Company are responsible for the preparation of this individual condensed interim financial information in accordance with the accounting principles and the minimum content envisaged in articles 12 and 13 of Royal Decree 1362/2007 and in Circular 3/2018 of the Spanish National Securities Market Commission (CNMV). Our responsibility is to express a conclusion on this condensed interim financial information based on our limited review.

Scope of Review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying condensed interim financial statements.



(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Conclusion

Based on our limited review, which can under no circumstances be considered an audit, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information for the six-month period ended 30 June 2023 has not been prepared, in all material respects, in accordance with the accounting principles and minimum content envisaged in articles 12 and 13 of Royal Decree 1362/2007 and in Circular 3/2018 of the Spanish National Securities Market Commission (CNMV) as regards the preparation of condensed interim financial statements.

Emphasis of Matter

We draw your attention to the accompanying note 2.1, which states that the condensed interim financial information does not include all the information that would be required in a complete set of financial statements prepared in accordance with the financial reporting framework applicable to the entity in Spain. The accompanying condensed interim financial statements should therefore be read in conjunction with the Company's annual accounts for the year ended 31 December 2022. This matter does not modify our conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The accompanying management report for the six-month period ended 30 June 2023 contains such explanations as the Directors consider relevant with respect to the significant events that have taken place in this period and their effect on the interim financial statements, as well as the disclosures required by article 15 of Royal Decree 1362/2007. The management report is not an integral part of the interim financial statements. We have verified that the accounting information contained therein is consistent with that disclosed in the interim financial statements for the six-month period ended 30 June 2023. Our work as auditors is limited to the verification of the management report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of the Company.

Other Matter

This report has been prepared at the request of the Company's Directors in relation to the publication of the six-monthly financial report required by article 100 of Securities Market and Investment Services Law 6/2023 of 17 March 2023.

KPMG Auditores, S.L.

(Signed on original in Spanish)

Estíbaliz Bilbao Belda

25 July 2023

5.

Individual Interim Condensed Financial Statements and Management Report

(Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Endesa, S.A.

Balance Sheets at 30 June 2023 and 31 December 2022

Millions of Euro

	Note	30 June 2023 (unaudited)	31 December 2022
ASSETS			
NON-CURRENT ASSETS		19,237	19,253
Intangible assets		83	95
Patents, licences, trademarks and similar		1	5
Software		82	90
Property, plant and equipment		1	2
Plant and other property, plant and equipment		1	2
Non-current investments in Group companies and associates	3 and 10.1	18,926	18,926
Equity instruments		18,926	18,926
Non-current financial investments	3	123	130
Equity instruments		3	3
Loans to third parties		9	7
Derivatives		103	110
Other financial assets		8	10
Deferred tax assets		104	100
CURRENT ASSETS			
Trade and other receivables		177	118
Other receivables		1	34
Receivables from Group companies and associates	10.1	173	83
Personnel		3	–
Other receivables from Public Administrations		–	1
Current investments in Group companies and associates	3 and 10.1	1,634	4,753
Loans to companies		1,631	4,753
Other Financial Assets		3	–
Current financial investments	3	178	176
Loans to third parties		173	170
Other Financial Assets		5	6
Current prepayments and accrued income		2	2
Cash and cash equivalents		20	26
Cash in hand and at banks		20	26
TOTAL ASSETS		21,248	24,328

The accompanying Condensed Explanatory Notes 1 to 13 are an integral part of the Balance Sheets at 30 June 2023 and 31 December 2022.

(Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Endesa, S.A.

Balance Sheets at 30 June 2023 and 31 December 2022

Millions of Euro

	Note	30 June 2023 (unaudited)	31 December 2022
EQUITY AND LIABILITIES			
EQUITY	4	5,959	7,445
Capital and reserves		5,884	7,366
Share capital		1,271	1,271
Issued capital		1,271	1,271
Share premium		89	89
Reserves		1,453	1,455
Legal and by-law reserves		254	254
Other reserves		1,199	1,201
(Treasury shares)		(5)	(5)
Previous years' profit or loss		2,874	3,855
Retained earnings		2,874	3,855
Profit/(loss) for the period		197	697
Other equity instruments		5	4
Valuation adjustments		75	79
Hedging transactions		75	79
NON-CURRENT LIABILITIES			
Non-current provisions	5	197	212
Non-current employee benefits		24	23
Provisions for workforce restructuring plans		112	124
Other provisions		61	65
Non-current debts	6	5,915	5,854
Bonds and other marketable securities		14	14
Bank borrowings		5,815	5,748
Financial lease payables		1	1
Derivatives		81	87
Other financial liabilities		4	4
Non-current debts to Group companies and associates	6 and 10.1	6,519	5,100
Debts to Group companies and associates		6,519	5,100
Deferred tax liabilities		41	42
CURRENT LIABILITIES			
Current provisions	5	36	40
Provisions for workforce restructuring plans		36	40
Current debts	6	1,133	5,386
Bank borrowings		201	390
Financial lease payables		1	1
Other financial liabilities		931	4,995
Current debts to Group companies and associates	6 and 10.1	1,221	50
Debts to Group companies and associates		38	41
Other financial liabilities		1,183	9
Trade and other payables		227	199
Suppliers to Group companies and associates	10.1	39	50
Other payables		57	117
Employee payables		18	24
Other payables to public administrations		113	8
TOTAL EQUITY AND LIABILITIES		21,248	24,328

The accompanying Condensed Explanatory Notes 1 to 13 are an integral part of the Balance Sheets at 30 June 2023 and 31 December 2022.

(Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Endesa, S.A.

Income Statements for the six-month period ended 30 June 2023 and 2022

Millions of Euro

	Note	January-June 2023 (unaudited)	January-June 2022 (unaudited)
CONTINUING OPERATIONS			
Revenue	8.1 and 10.1	724	134
Provision of services		154	134
Dividend income from Group companies and associates		570	—
Other operating income		—	1
Ancillary income and other operating income		—	1
Personnel expenses	8.3	(91)	(88)
Salaries and wages, and similar		(66)	(62)
Other employee benefits		(17)	(13)
Provisions		(8)	(13)
Other operating expenses	8.4	(267)	(41)
External services		(42)	(49)
Taxes other than income tax		(215)	—
Other current operating expenses		(10)	8
Depreciation and amortisation		(19)	(18)
Excess of Provisions		7	—
Other Results	8.6	—	152
PROFIT/(LOSS) FROM OPERATIONS		354	140
Financial income	8.5	37	42
Marketable securities and other non-current credits		37	42
Group companies and associates	10.1	24	9
Third parties		13	33
Financial expenses	8.5	(221)	(66)
On debts to Group companies and associates	10.1	(83)	(51)
On debts to third parties		(135)	(14)
Provision adjustments		(3)	(1)
Change in fair value of financial instruments		(12)	7
Trading portfolio and other		(12)	7
Exchange gains/(losses)		(3)	6
FINANCIAL PROFIT/LOSS		(199)	(11)
PROFIT/(LOSS) BEFORE TAX		155	129
Income tax expense		42	(33)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		197	96
PROFIT/(LOSS) AFTER TAX FOR THE PERIOD FROM DISCONTINUED OPERATIONS		—	—
PROFIT/(LOSS) FOR THE PERIOD		197	96

The accompanying Condensed Explanatory Notes 1 to 13 form an integral part of the income statements for the six-month periods ended 30 June 2023 and 2022.

(Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Endesa, S.A.

Statements of changes in equity for the six-month period ended 30 June 2023 and 2022

A) Statements of recognised income and expenses for the six-month period ended 30 June 2023 and 2022

Millions of Euro

	Note	January–June 2023 (unaudited)	January–June 2022 (unaudited)
PROFIT/(LOSS) FROM THE INCOME STATEMENT		197	96
INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY			
Cash flow hedges	3.3 and 6.2	3	70
Actuarial gains and losses and other adjustments	5.1	(2)	16
Tax effect		—	(21)
TOTAL INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY		1	65
AMOUNTS TRANSFERRED TO INCOME STATEMENT			
Cash flow hedges	6.2	(9)	4
Tax effect		2	(1)
TOTAL AMOUNTS TRANSFERRED TO THE INCOME STATEMENT		(7)	3
TOTAL RECOGNISED INCOME / (EXPENSES)		191	164

The accompanying Condensed Explanatory Notes 1 to 13 are an integral part of the statements of recognised income and expenses for the six-month period ended 30 June 2023 and 2022.

(Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Endesa, S.A.

Statements of changes in equity for the six-month period ended 30 June 2023 and 2022

B) Statements of total changes in equity for the six-month period ended 30 June 2023 and 2022

Millions of Euro

	30 June 2023 (unaudited)			
	Capital and reserves			
	Share capital (Note 4.1)	Share premium (Note 4.2)	Reserves and prior years' profit or loss	(Treasury shares) (Note 4.4)
Balance at 31 December 2022	1,271	89	5,310	(5)
TOTAL RECOGNISED INCOME / (EXPENSES)	—	—	(2)	—
Other changes in equity	—	—	(981)	—
Distribution of profit	—	—	(981)	—
Other changes	—	—	—	—
Balance at 30 June 2023	1,271	89	4,327	(5)

Millions of Euro

	30 June 2022 (unaudited)			
	Capital and reserves			
	Share capital (Note 4.1)	Share premium (Note 4.2)	Reserves and prior years' profit or loss	(Treasury shares) (Note 4.4)
Balance at 31 December 2021	1,271	89	6,233	(3)
TOTAL RECOGNISED INCOME / (EXPENSES)	—	—	12	—
Transactions with shareholders	—	—	—	(1)
Other transactions with shareholders	—	—	—	(1)
Other changes in equity	—	—	(940)	—
Distribution of profit	—	—	(940)	—
Other changes	—	—	—	—
Balance at 30 June 2022	1,271	89	5,305	(4)

The accompanying Condensed Explanatory Notes 1 to 13 are an integral part of the statements of total changes in equity for the six-month period ended 30 June 2023 and 2022.

30 June 2023 (unaudited)						
Capital and reserves					Valuation adjustments (Note 4.6)	Total equity
Profit/(loss) for the period	(Interim dividend)	Other equity instruments				
697	–	4		79	7,445	
197	–	–		(4)	191	
(697)	–	1		–	(1,677)	
(697)	–	–		–	(1,678)	
–	–	1		–	1	
197	–	5		75	5,959	
30 June 2022 (unaudited)						
Capital and reserves					Valuation adjustments (Note 4.6)	Total equity
Profit/(loss) for the period	(Interim dividend)	Other equity instruments				
581	(529)	2		(8)	7,636	
96	–	–		56	164	
–	–	–		–	(1)	
–	–	–		–	(1)	
(581)	529	1		–	(991)	
(581)	529	–		–	(992)	
–	–	1		–	1	
96	–	3		48	6,808	

(Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Endesa, S.A.

Statements of cash flows for the six-month period ended 30 June 2023 and 2022

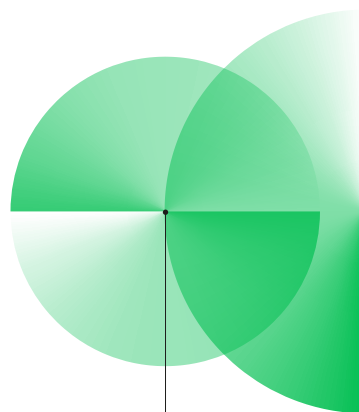
Millions of Euro

	Note	January–June 2023 (unaudited)	January–June 2022 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		152	(61)
Profit/(loss) before tax		155	129
Adjustments for		(353)	47
Income from dividends	8.1 and 10.1	(570)	–
Depreciation and amortisation		19	18
Changes in provisions		1	11
Financial income	8.5	(37)	(42)
Financial expenses	8.5	221	66
Change in fair value of financial instruments		12	(7)
Other adjustments		1	1
Changes in working capital		(39)	(155)
Other cash flows from operating activities:		389	(82)
Interest paid		(189)	(65)
Dividends received		570	–
Interest received		31	8
Other proceeds / (payments)		(23)	(25)
CASH FLOWS FROM INVESTING ACTIVITIES		3,140	(1,899)
Payments for investments		(19)	(1,904)
Group companies and associates		–	(1,885)
Property, plant and equipment and intangible assets		(11)	(17)
Other financial assets		(8)	(2)
Proceeds from sale of investments		3,159	5
Group companies and associates		3,154	–
Other financial assets		5	5
CASH FLOWS FROM FINANCING ACTIVITIES		(3,298)	1,619
Proceeds from (payments for) financial liability instruments		(3,298)	2,148
Issue		2,595	4,275
Redemption and repayment		(5,893)	(2,127)
Dividends and interest on other equity instruments paid		–	(529)
Dividends		–	(529)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(6)	(341)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		26	378
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		20	37

The accompanying Condensed Explanatory Notes 1 to 13 are an integral part of the corresponding statements of cash flows for the six-month periods ended 30 June 2023 and 2022.



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Legend

Activity	Description of activity
	Conventional Generation
	Renewable Generation
	Energy Supply
	Marketing of other Products and Services
	Distribution
	Structure and Services



Endesa, S.A.

**Condensed Explanatory Notes
to the Individual Interim Condensed
Financial Statements for the
six-month period ended 30 June 2023**

1. Company activity and Individual Interim Condensed Financial Statements

Endesa, S.A. (the «Company») was incorporated with limited liability in accordance with Spanish law on 18 November 1944, under the name Empresa Nacional de Electricidad, S.A. It subsequently changed its name to Endesa, S.A. pursuant to a resolution adopted by the General Shareholders' Meeting on 25 June 1997. Its registered tax offices and headquarters are at Calle Ribera del Loira 60, Madrid, with this also being its administrative office.

Its corporate purpose is the electricity business in all its various industrial and commercial areas; the exploitation of primary energy resources of all types; the provision of industrial services, particularly in the areas of telecommunications, water and gas and those preliminary or supplementary to the Group's corporate purpose, and the management of the corporate Group, comprising investments in other companies.

The Company carries out its corporate objects in Spain and abroad directly or through its investments in other companies.

To comply with Electricity Sector Law 24/2013 of 26 December 2013, Endesa, S.A. underwent a corporate restructuring to separate its various electricity activities. Since then, Endesa, S.A.'s activity has focused primarily on the management and provision of services for its business group, comprising the financial investments detailed in these Condensed Explanatory Notes.

The Company's shares are officially admitted to trading on the Spanish Stock Exchanges.

Endesa's financial statements for the year ended 31 December 2022 were approved by the shareholders at the General Shareholders' Meeting held on 28 April 2023, and are filed with the Madrid Mercantile Register.

The Company holds interests in Group companies, jointly-controlled entities and associates. Consequently, in accordance with prevailing legislation, the Company is the parent of a group of companies. In accordance with generally accepted accounting principles in Spain, consolidated financial statements must be prepared to present truly and fairly the financial position of the Group, the results of operations and changes in its equity and cash flows. Details of investments in Group companies, jointly-controlled entities and associated companies are included in Note 3.1.1.

The consolidated financial statements of Endesa, S.A. and its subsidiaries for the year ended 31 December 2022 were approved by the General Shareholders' Meeting on 28 April 2023 and are filed at the Madrid Mercantile Register.

On 25 July 2023, the Board of Directors of Endesa, S.A. approved the interim condensed consolidated financial statements for the six-month period ended 30 June 2023 in accordance with prevailing legislation, pursuant to International Financial Reporting Standards (IFRS).

The key data in the interim condensed consolidated financial statements of Endesa, S.A., and its subsidiaries in the six-month period ended 30 June 2023 and the year ended 31 December 2022 are as follows:

Millions of Euro	30 June 2023 (unaudited)	31 December 2022 ⁽¹⁾
Total assets	42,792	50,067
Equity	6,416	5,758
Of the Parent	6,231	5,557
Of non-controlling interests	185	201

⁽¹⁾ See Note 2 to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June, 2023.

Millions of Euro

	January–June 2023 unaudited	31 January–June 2022 (unaudited)
Revenue	13,121	14,851
Profit after tax for the period from continuing operations	889	952
Profit after tax for the period from discontinued operations	–	–
Profit/(loss) for the year	889	952
Of the Parent	879	916
Of non-controlling interests	10	36

At 30 June 2023 and 31 December 2022, the Enel Group, through Enel Iberia, S.L.U., held 70.1% of Endesa, S.A.'s share capital, giving it control over Company (see Note 4.1). The Enel Group's consolidated financial statements for the year ended 31 December 2022 were approved by the General Shareholders' Meeting held on 10 May 2023 and are filed with the Rome and Madrid Companies Registers.



2. Basis of preparation of the Individual Interim Condensed Financial Statements and Condensed Explanatory Notes

2.1. True and fair presentation

The Individual Interim Condensed Financial Statements, which were approved by the Company's Directors at the meeting of its Board of Directors on 25 July 2023, have been prepared in accordance with the half-yearly financial reporting requirements set down in article 119 of Royal Decree Law 4/2015, of 23 October, approving the recast text of the Securities Market Act, and in accordance with the principles and content contained in articles 12 and 13 Royal Decree 1362/2007, of 19 October, on transparency requirements in relation to information about issuers whose securities are admitted to trading on an official secondary market or other regulated market in the European Union and Circular 3/2018, of 28 June, on periodic information about issuers whose securities are admitted to trading on regulated markets with regard to half-yearly financial reports. Specifically, the accompanying Individual Interim Condensed Financial Statements have been authorised for issue with the content required to meet the conditions established by Circular 3/2018, of 28 June.

The accompanying Individual Interim Condensed Financial Statements for the six-month period ended 30 June 2023 have been prepared on the basis of the accounting policies

and valuation methods established by Law 16/2007, of 4 July, which reforms and adapts mercantile law as regards accounting practices for international harmonisation based on the European Union standard and the General Chart of Accounts approved by Royal Decree 1514/2007, of 16 November, subsequently amended by the Royal Decree 1159/2010, of 17 September, Royal Decree 602/2016, of 2 December and Royal Decree 1/2021, of 12 January. However, these Individual Interim Condensed Financial Statements and Condensed Explanatory Notes do not include all the information required for the preparation of a complete Individual Interim Financial Statements and therefore, for greater understanding, should be read in conjunction with the financial statements for the year ended 31 December 2022.

The accompanying Individual Interim Condensed Financial Statements reflect a true and fair presentation of the Company's equity and financial position at 30 June 2023, and the results of its operations, changes in equity and cash flows for the six-month period then ended, and have been prepared on the basis of the Company's accounting records.

2.2. Accounting principles

The accounting policies and criteria applied in preparing these Individual Interim Condensed Financial Statements and accompanying Condensed Explanatory Notes are

those set out in Notes 2 and 4 to the financial statements for the year ended 31 December 2022.

2.3. Responsibility for the information and estimates made

These Individual Interim Condensed Financial Statements were authorised for issue at the Board of Directors' meeting held on 25 July de 2023 and the Company's Directors are responsible for the information contained therein, which expressly states that all principles and criteria of the General Chart of Accounts have been applied.

In preparing the accompanying Individual Interim Condensed Financial Statements, the Company's Directors made estimates to measure certain assets, liabilities, income, expenses and commitments included therein. The estimates necessary to prepare these Individual Interim Condensed Financial Statements were basically the same as

those described in Note 2.3 to the financial statements for the year ended 31 December 2022. There were no changes with respect to the estimates used in those financial statements that had a significant impact on the Individual Interim Condensed Financial Statements.

In addition, the amount shown under «*Income tax expense*» in the accompanying Individual Interim Condensed Financial Statements was calculated based on the best estimate of the tax rate expected to apply to the related annual periods. As a result, changes in estimates of

the annual tax rate could require the amount recognised for the six-month period ended 30 June 2023 to be adjusted in future reporting periods.

Although these estimates have been based on the best information available at the date of preparation of these Individual Interim Condensed Financial Statements, future events could require the estimates to be increased or decreased in subsequent years. Changes in estimates are made prospectively and the effects recognised in the corresponding financial statements for future years.

2.4. Going concern

At 30 June 2023, as a result of its financial and cash management policy, the Company has negative working capital of Euro 606 million. In this regard, the cash positions, together with the amount of available long-term loans (see Note 6.5), ensure that the Company has sufficient financial resources to continue its operations, realise its assets and

settle its liabilities for the amounts shown in the accompanying Balance Sheet.

The Company's Directors have therefore prepared the accompanying Individual Interim Condensed Financial Statements on a going-concern basis.

2.5. Functional currency and presentation currency

The Individual Interim Condensed Financial Statements are presented in millions of Euro. The Company's functional and presentation currency is the euro.

2.6. Comparison of information

For purposes of comparison, the statements of financial position in these Individual Interim Condensed Financial Statements present, in addition to the figures for the six-month period ended 30 June 2023, comparative figures forming part of the financial statements for the year ended 31 December 2022 approved by the General Shareholders' Meeting on 28 April 2023.

The income statements, statements of changes in equity, statements of cash flows and the notes to the Individual Interim Condensed Financial Statements present, in addition to the six-month figures for the period ended 30 June 2023, those corresponding to the six-month period ended 30 June 2022.

2.7. Grouping of items

Certain items on the statement of financial position, income statement, statement of changes in equity and statement of cash flows are presented in groups for easier

understanding, though significant data are set out as breakdowns in the notes to the Individual Interim Condensed Financial Statements.

3. Current and non-current financial assets

The details and movements of «Non-current investments in Group companies and associates» and «Non-current financial investments» in the accompanying statement of financial position at 30 June 2023 are as follows:

Millions of Euro

	Note	Balance at 31 December 2022	Additions and charges	Disposals	Balance at 30 June 2023
Non-current investments in Group companies and associates	3.1 and 10.1	18,926	—	—	18,926
Equity instruments	3.1.1	18,926	—	—	18,926
Interests in Group companies and associates		18,928	—	—	18,928
Impairment losses		(2)	—	—	(2)
Non-current financial investments	3.2	130	8	(15)	123
Equity instruments	3.2.1	3	—	—	3
Non-current financial investments		5	—	—	5
Impairment losses		(2)	—	—	(2)
Loans to third parties	3.2.2	7	4	(2)	9
Loans to third parties		7	4	(2)	9
Derivatives	3.4	110	3	(10)	103
Other financial assets	3.2.3	10	1	(3)	8
TOTAL NON-CURRENT FINANCIAL ASSETS		19,056	8	(15)	19,049

The headings «Current financial investments in Group companies and associates» and «Current financial investments» of the accompanying statement of financial position at 30 June 2023 and 31 December 2022 break down as follows:

Millions of Euro

	Note	30 June 2023	31 December 2022
Current investments in Group companies and associates	10.1	1,634	4,753
Loans to companies	3.1.2	1,631	4,753
Loans to Group companies and associates		1,631	4,753
Other financial assets		3	—
Current financial investments		178	176
Loans to third parties		173	170
Loans to third parties	3.2.2	173	170
Other financial assets		5	6
TOTAL CURRENT FINANCIAL ASSETS		1,812	4,929

3.1. Non-current and current investments in Group companies and associates

3.1.1. Equity instruments

Details of the Company's investments in equity instruments of Group companies and associates at 30 June 2023, as well as the most significant information regarding each investment at those dates, are as follows:

Group companies and associates: Six-month period ended 30 June 2023		Millions of Euro						Profit/(loss) for the year	
Company ⁽¹⁾	Activity	% direct ownership	Share capital	Reserves	Interim dividend	Profit/(loss) from operations	Net income		
Registered office									
Group companies:									
Endesa Energía, S.A.U. – Madrid ⁽²⁾ (3)	Supply of energy products	100%	14	1,779	–	475	360		
Endesa Generación, S.A.U. – Seville ⁽²⁾	Electricity generation and supply	100%	1,940	4,333	–	695	441		
Endesa Red, S.A.U. – Madrid ⁽²⁾	Distribution activities	100%	720	2,520	(540)	561	399		
Endesa Medios y Sistemas, S.L.U. – Madrid	Rendering of services	100%	90	75	–	(1)	(1)		
Endesa Financiación Filiales, S.A.U. – Madrid	Financing of Endesa, S.A. subsidiaries	100%	4,621	4,665	(30)	65	49		
Endesa X Servicios, S.L.U. – Madrid	Supply of energy products	100%	–	66	–	18	14		
Endesa Mobility, S.L.U. – Madrid	Servicios de Movilidad Eléctrica	100 %	10	47	–	(3)	(2)		
Resto del Grupo									
TOTAL									

⁽¹⁾ Unaudited data.

⁽²⁾ Figures relate to the consolidated subgroup.

⁽³⁾ Pursuant to Article 36 of the Royal Decree of 22 August 1885 publishing the Code of Commerce, this company does not fall within the established causes for mandatory reduction of share capital or mandatory dissolution due to losses, as adjustments due to changes in value arising from cash flow hedges are not considered equity items for these purposes and are transferred to the income statement to the extent that the highly probable hedged transaction that is forecast affects profit or loss for the year.

Millions of Euro

Total equity	Grants, donations and bequests received	Valuation adjustments	Total equity	Carrying amount			Dividends received (Notes 8.1 and 10.1)
				Cost	Impairment in the year	Accumulated impairment	
2,153	—	(1,946)	207	1,102	—	—	—
6,714	46	(7)	6,753	5,891	—	—	—
3,099	4,759	(102)	7,756	2,440	—	—	540
164	—	1	165	167	—	—	—
9,305	—	—	9,305	9,242	—	—	30
80	—	—	80	43	—	—	—
55	1	—	56	37	—	—	—
		—	6	—	(2)	—	—
				18,928	—	(2)	570

These companies do not have publicly listed share prices.

Most significant changes in the six-month period ended 30 June 2023

On 24 January 2023, the Company's Board of Directors authorised the start of a corporate reorganisation process consisting of the spin-off of the electric mobility activity branch owned by Endesa X Servicios, S.L.U., including a 49% stake in the share capital of Endesa X Way, S.L., in

favour of Endesa Mobility, S.L.U. Subsequently, on 26 January 2023, Endesa Mobility, S.L.U. was incorporated, in which the Company holds a 100% stake. Finally, on 3 April the aforementioned spin-off was registered, resulting in a reduction and increase in the Company's financial investments in Endesa X Servicios, S.L.U. and Endesa Mobility, S.L.U., respectively, amounting to euro 37 million.

3.1.2 Current and non-current loans to Group companies and associates

At 30 June 2023, «*Current loans to Group companies and associates*» mainly includes the debit balance for the intercompany current account held with Endesa Financiación Filiales, S.A.U., amounting to Euro 1,556 million (31 December 2022: Euro 4,696 million).

The Company has a cash pooling agreement with Endesa Financiación Filiales, S.A.U. that is automatically renewable for five-year periods at maturity unless either party notifies the other of its decision not to renew the agreement at least 13 months before the end of the period. The interest rate applicable to the current account will be determined by Endesa Financiación Filiales, S.A., and will be equal to the average cost of gross debt for the Endesa Group (or any other that may replace it in the future), as published by the Finance Department during the month immediately prior to the interest period concerned, and may be reviewed, where appropriate, depending on the actual rate at the end of the interest period. This contract stipulates that the Company may draw down the amounts required

to cover its financial needs and invest its surpluses to regulate its cash flows. There is no limit on the cash drawdowns that can be made between the parties. At 30 June 2023, Euro 24 million related to uncollected interest accrued on this credit line (31 December 2022: Euro 31 million) (see Note 10.1).

At 30 June 2023 this heading also includes the income tax receivable from Enel Iberia, S.L.U. for the current and previous year amounting to Euro 49 million (Euro 10 million for the current and previous year at 31 December 2022).

Lastly, at 30 June 2023 and 31 December 2022, the Company had a loan granted to Elcogas, S.A. (En Liquidación), as recognised under current «*Loans to Group companies and associates*» for a total of Euro 54 million, and which was fully impaired. Its maturity date is dependant upon Elcogas, S.A. (En Liquidación) having already repaid all its debts, which, given the ongoing plant closure process, is expected to take place within 12 months.

3.1.3. Impairment test

No significant impairment losses were recognised on investments in group companies, jointly-controlled entities and associates in the first six months of 2023 and 2022.

Note 4d.2 to the financial statements for the year ended 31 December 2022, «*Investments in equity instruments of Group companies, jointly-controlled entities and associates*» establishes that the investments in Group companies, jointly-controlled entities and associates are

initially measured at cost, and subsequently adjusted for any accumulated impairment losses.

At 30 June 2023, bearing in mind the current performance of Group companies and the information available, Endesa, S.A. considers that there are no indications of impairment forcing the estimated recoverable amount of the assets to be updated.

3.2. Current and non-current financial investments

3.2.1. Equity instruments

Investments in equity instruments held at 30 June 2023 and 31 December 2022 totalled Euro 3 million and Euro 3 million, respectively.

3.2.2. Current and non-current loans to third parties

At 30 June 2023 and 31 December 2022, non-current «Loans to third parties» showed a total of Euro 9 million and Euro 7 million in long-term loans to personnel, respectively.

Likewise, at 30 June 2023 and at 31 December 2022, no impairment losses were recognised for non-current «Loans to third parties».

Through Ruling 202/2022 delivered by the Supreme Court on 21 February 2022, the court acknowledged that Endesa, S.A. was entitled receive compensation for the amounts borne to finance and co-finance the Social Bonus with the public administrations during the whole term that the third financing system of the Social Bonus remains in force. Thus, all amounts paid in this regard are to be refunded to

the claimant after discounting any amounts that may have been passed on to customers. As Endesa, S.A. did not pass on this cost to customers, either directly or indirectly, it should be entitled to fully recover the amounts incurred.

For the regulated segment, the amounts owed should be recovered automatically, as the Last Resort Suppliers are unable to pass this cost on to customers given that their remuneration regime does not allow for it. Accordingly, at 30 June 2023, Endesa, S.A. recognised a receivable in this connection under current «Loans to third parties», amounting to Euro 152 million in principal and Euro 18 million in late-payment interest (Euro 152 million in principal and Euro 16 million in late-payment interest, respectively, at 31 December 2022) (see Note 8.6).

3.2.3. Other non-current financial assets

At 30 June 2023, this balance included mainly Euro 7 million for the deposit made to guarantee payment for future services of employees who are members of the Endesa,

S.A.'s defined benefit pension plan. (Euro 10 million at 31 December 2022) (see Note 5.1).

3.3. Items recognised in the income statement and in equity

In the six-month period ended 30 June 2023 and 2022, the applications made in the income statement and equity linked to financial assets grouped by the different categories are as follows:

Millions of Euro

	January–June 2023		January–June 2022	
	Income statement	Equity	Income statement	Equity
Financial assets at amortised cost	27	–	24	–
Cash flow hedging derivatives:	10	(6)	–	62
TOTAL	37	(6)	24	62

3.4. Fair value measurement

At 30 June 2023 and 31 December 2022, the classification of financial assets measured at fair value in the statement of financial position by fair value hierarchy was as follows:

Millions of Euro

	30 June 2023			
	Fair value	Level 1	Level 2	Level 3
Non-current financial investments	103	–	103	–
Derivatives	103	–	103	–
Interest rate hedges	103	–	103	–
Fair value hedges	2	–	2	–
Cash flow hedges	101	–	101	–
Total non-current assets	103	–	103	–

Millions of Euro

	31 December 2022			
	Fair value	Level 1	Level 2	Level 3
Non-current financial investments	110	–	110	–
Derivatives	110	–	110	–
Interest rate hedges	110	–	110	–
Fair value hedges	2	–	2	–
Cash flow hedges	108	–	108	–
Total non-current assets	110	–	110	–

There were no level transfers among these financial assets in the six-month period ended 30 June 2023 or in the year ended 31 December 2022.

3.5. Financial investment commitments

At 30 June 2023 and 31 December 2022, Endesa, S.A. had no agreements that included commitments to make financial investments of a significant amount.

4. Equity and dividends

At 30 June 2023 and 2022, the breakdown of Equity and movements during the period are shown in the statement of changes in equity that form part of the Company's financial statements.

Details of the Company's equity at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	Note	30 June 2023	31 December 2022
Share capital	4.1	1,271	1,271
Share premium	4.2	89	89
Reserves	4.3	1,453	1,455
(Treasury shares)	4.4	(5)	(5)
Previous years' profit or loss		2,874	3,855
Profit/(loss) for the year		197	697
Other equity instruments		5	4
Valuation adjustments	4.6	75	79
TOTAL		5,959	7,445

4.1. Share capital

At 30 June 2023 and 31 December 2022, Endesa, S.A. had share capital of Euro 1,270,502,540.40, represented by 1,058,752,117 bearer shares with a par value of Euro 1.20 each, which were fully subscribed and paid and all admitted to trading on the Spanish stock exchanges. All the shares have the same voting and profit-sharing rights.

At 30 June 2023 and 31 December 2022, the Enel Group, through Enel Iberia, S.L.U., held 70.1% of Endesa, S.A.'s share capital. At that date, no other shareholder held more than 10% of the share capital of Endesa, S.A.

4.2. Share premium

The share premium arises from the Company's corporate restructuring. Article 303 of the consolidated text of the Spanish Corporate Enterprises Act expressly permits the use of the share premium to increase capital and does not establish any specific restrictions as to its use.

Nonetheless, at 30 June 2023, Euro 32 million of the share premium is restricted to the extent that it is subject to tax assets capitalised in prior years (Euro 33 million at 31 December 2022).

4.3. Reserves

Details of the Company's reserves at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	Note	30 June 2023	31 December 2022
Legal reserve		254	254
Revaluation reserve		404	404
Redeemed capital reserve		102	102
Reserve for redenomination of capital to Euro		2	2
Reserve for actuarial gains and losses and other adjustments	4.3.1	(2)	–
Other reserves		693	693
Merger reserve		667	667
Other unrestricted reserves		26	26
Voluntary and other reserves		26	26
TOTAL		1,453	1,455

4.3.1. Reserve for actuarial gains and losses and other adjustments

At 30 June 2023 and 31 December 2022 this reserve derives from actuarial gains and losses recognised in equity (see Note 5.1).

4.4. Treasury Shares

Information regarding the temporary share buy-back programmes carried out in 2022 is provided in Notes 10.4 and 18.3.5 to the financial statements for the year ended 31 December 2022.

Likewise, the Board of Directors of Endesa, S.A., at its meeting held on 22 March 2023, resolved to carry out another Temporary Share Buy-back Programme, in accordance with the authorisation granted at the Company's General Shareholders' Meeting held on 5 May 2020, and also in conformity with the approval of the Company's Board of Directors held on 22 February 2023 in relation to the plan to award shares to employees («Flexible Share Remuneration Programme»).

The Buyback Programme implemented by a financial institution and with a duration between 24 March 2023 and 6 April 2023 is subject to the provisions of Commission Delegated Regulation (EU) 2016/1052, of March 8,

supplementing Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 and aims to acquire shares to fulfil the obligations of the Flexible Remuneration Programme in Shares for active employees of the Endesa Group in Spain who opt in 2023 to receive part of their salary in shares of Endesa, S.A., within the framework of Endesa's general remuneration policy. The Temporary Share Buyback Programme includes the volume of shares required to cover the monetary amount requested by employees.

Under the aforementioned Programme, Endesa, S.A. acquired 613,000 shares of the Company, of which 1,351 shares remained in the Company's possession at 30 June 2023.

Accordingly, at 30 June 2023 Endesa, S.A. held treasury shares shown in the table below:

	Number of shares	Nominal value (Euro/Share)	% of total share capital	Average acquisition cost	Total cost of acquisition (Euro)
Treasury shares	255,961	1.20	0.02418	19.25	4,928,007

4.5. Dividends

Approval was granted at Endesa, S.A.'s General Shareholders' Meeting held on 28 April 2023 to pay shareholders a total dividend charged against 2022 profit

and retained earnings for a gross amount of Euro 1.5854 per share, for a total of Euro 1,678 million. This dividend was ultimately paid to shareholders on 3 July 2023.

4.6. Valuation adjustments

The movement in «Valuation adjustments» in the accompanying statement of financial position is shown in the statement of recognised income and expense, which forms part of these individual Interim Condensed Financial Statements.

5. Current and non-current provisions

Details of current and non-current provisions in the accompanying statement of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro			
	Note	30 June 2023	31 December 2022
Non-current provisions			
Non-current employee benefit provisions		24	23
Provisions for pensions and other similar obligations ⁽¹⁾	5.1	13	12
Other employee benefits		11	11
Provisions for workforce restructuring plans	5.2	112	124
Contract suspensions		112	124
Other provisions	5.3	61	65
TOTAL		197	212
Current provisions			
Provisions for workforce restructuring plans		36	40
Contract suspensions		36	40
TOTAL		36	40

⁽¹⁾ Includes post-employment benefits other than pension plans amounting to Euro 9 million at 30 June 2023 (Euro 9 million at 31 December 2022).

5.1. Provisions for pensions and other similar obligations

Details of the present value of the Company's provisions regarding post-employment plans and other non-current benefits and associated plan assets at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro		
	30 June 2023	31 December 2022
Present value of commitments	32	31
Assets	8	7
Liabilities	4	4
Early retirees	20	20
Fair value of defined benefit plan assets	(19)	(19)
NET TOTAL ⁽¹⁾	13	12

⁽¹⁾ Includes post-employment benefits other than pension plans amounting to Euro 9 million at 30 June 2023 (Euro 9 million at 31 December 2022).

Movement in the actuarial liabilities assumed in relation to defined benefit scheme obligations in the first six months of 2023 was as follows:

Millions of Euro	
	January–June 2023
Opening actuarial liability	31
Actuarial gains and losses	2
Amounts used	(2)
Payments	(2)
Other	1
Closing actuarial liability ⁽¹⁾	32

⁽¹⁾ Includes post-employment benefits other than pension plans amounting to Euro 9 million at 30 June 2023 (Euro 9 million at 31 December 2022).

Changes in the market value of defined benefit plan assets in the first six months of 2023 are as follows:

Millions of Euro	
	January–June 2023
Opening market value	19
Estimated benefit	–
Company contribution	2
Payments	(2)
Actuarial gains and losses	–
Insurance for benefits payable	–
Closing market value ⁽¹⁾	19
Opening liabilities/(assets) balance	12
Closing liabilities/(assets) balance	13

⁽¹⁾ Post-employment benefits other than pension schemes are not included.

The Company has the above provisions covered by the amounts shown in the statements of financial position at 30 June 2023 and 31 December 2022.

Plan assets

The main categories of defined benefit plan assets as a percentage of total assets, at 30 June 2023 and 31 December 2022 are as follows:

Percentage (%)	30 June 2023	31 December 2022
Shares	30	30
Fixed income assets	48	45
Other investments	22	25
TOTAL	100	100

Actuarial assumptions

The assumptions used when calculating the actuarial liability in respect of uninsured defined benefit obligations at 30 June 2023 and 31 December 2022 are as follows:

	30 June 2023	31 December 2022
Mortality tables	PERM / FCOL2020	PERM / FCOL2020
Interest rate	3.67% - 3.70%	3.74% - 3.77%
Expected return on plan assets	3.69%	3.77%
Salary Review ⁽¹⁾	2.61%	2.78%
Increase in the costs of health care	4.81%	4.98%

⁽¹⁾ Benchmark percentage for estimating salary increases

The interest rate applied to discount the provisions in Spain is obtained from a curve constructed using the yields on corporate bond issues by companies with an «AA» credit rating, based on the estimated term of the provisions arising from each commitment.

The projected Unit Credit Method is used, where each year of service generates a unit of rights to the benefits, with each unit determined separately.

5.2. Provisions for workforce restructuring plans

5.2.1 Agreement on voluntary suspension or termination of employment contracts

Movements in this non-current provision in the first six months of 2023 are as follows:

Millions of Euro

	Note	January-June 2023
Opening balance		124
Amounts charged to profit/(loss) for the year		7
Personnel expenses	8.3	4
Financial expenses	8.5	3
Amounts used		(19)
Financial income	8.5	(1)
Transfers and other		(18)
Closing balance		112

Actuarial assumptions

The assumptions used in the actuarial calculation of the obligations arising under these workforce restructuring plans at 30 June 2023 and 31 December 2022 are as follows:

	30 June 2023	31 December 2022
Interest rate	3.90%	3.57%
Future increase in guarantee	1%	1%
Increase in other items	2.61%	2.78%
Mortality tables	PERM / FCOL2020	PERM / FCOL2020

5.3. Other non-current provisions

The breakdown of non-current «Other provisions» in the first six months of 2023, as shown on the liabilities side of the accompanying statement of financial position, is as follows:

Millions of Euro

	January–June 2023
Opening balance	65
Amounts charged to profit/(loss) for the year	3
Excess of Provisions	(7)
Closing balance	61

5.4. Litigation and arbitration

In the six-month period ended 30 June 2023, the following significant changes occurred in relation to litigation and arbitration proceedings involving the Company described in Note 11.3 to the financial statements for the year ended 31 December 2022.

- The Supreme Court issued a ruling in the appeal filed by Endesa, S.A., Endesa Energía, S.A.U. and Energía XXI Comercializadora de Referencia, S.L.U. (Ruling number 212/2022, of 21 February 2022), and in the Appeals filed by other electricity sector companies against the obligation, envisaged in article 45.4 of Electricity Sector Law 24/2013, of 26 December, Royal Decree Law 7/2016, of 23 December, and Royal Decree 897/2017, of 6 October, to finance the cost of the Social Bonus, and to cofinance with the public administrations the supply of severely vulnerable consumers that avail themselves of the last resort tariffs and which are at risk of social exclusion. It is an appeal filed against the third system to finance the Social Bonus, whereby the obligation was imposed to finance the parents of company groups

that carry out electricity supply activities, or the companies themselves that do so if they do not form part of a corporate group. In particular, the Supreme Court partially upheld the appeal declaring (i) inapplicable the Social Bonus financing system and the cofinancing system with the administrations for the supply of severely vulnerable consumers that avail themselves of the Last Resort Tariff (LRT) and that are at risk of social exclusion; (ii) articles 12 to 17 of Royal Decree 897/2017, of 6 October, to be inapplicable and null and void. In turn, the following is acknowledged, (iii) the right of the claimant to be compensated for the amounts paid to finance and cofinance (alongside the public administrations) the Social Bonus, so that all amounts paid in this regard are refunded, less any amounts that may have been passed on to customers. Lastly, the following is declared: (iv) the right of the complainant to be compensated for the amounts invested to implement the procedure to request, check and manage the Social Bonus, together with the

amounts paid to apply this procedure, discounting those amounts that, where appropriate, would have been passed on to the customers. The Supreme Court issued a ruling on 24 March 2022 dismissing the request to rectify or complement the judgment proposed by the State Legal Service, so that the government can continue to charge the relevant parties for the corresponding financing cost, as the financing system has been removed from the system. However, the Supreme Court confirms that: *«despite the declaration of inapplicability and annulment of the legal rules and regulations governing the system to finance the Social Bonus, the prevalence of the discount obligation in the price of electricity supplied to the vulnerable consumers will continue to generate for certain companies, even after the ruling, payments whose processing and compensation must be addressed in the new legal system to finance the Social Bonus which is established, to substitute that currently declared inapplicable, or a specific rule approved for this purpose».*

By Order of 24 May 2022, the Judgment was deemed to have been received by the responsible Body, indicating that the ruling must be complied with by the Subdirector General for Electrical Energy. In view of the inactivity of the Administration, on 10 November 2022, a written request for enforcement was filed. Subsequently, by Order of 9 January 2023, a report was received from the Ministry for Ecological Transition and Demographic Challenge («MITECO») on the status of enforcement of the Judgment, and Endesa was given notice to state, within 10 days, whether the Administration had set the amounts to be paid as compensation. On 24 January 2023, Endesa submitted a written statement of allegations, together with the corresponding reports, and requested access to the report prepared by the National Markets and Competition Commission («CNMC») on which the Ministry for Ecological Transition and the Demographic Challenge («MITECO») based its report on the status of execution of the ruling, reserving the right to make further allegations in view of the aforementioned report.

On 26 May 2023, the Supreme Court issued a decision, among other matters, to: (i) initiate a motion to enforce the Judgment, (ii) require the Ministry for Ecological Transition and the Demographic Challenge («MITECO») to submit the Report of the National Markets and Competition Commission («CNMC») dated 24 March

2022 requested, (iii) partially uphold the motion filed by Endesa, declaring the right of Energía XXI Comercializadora de Referencia, S.L.U. to be paid by the Administration within a maximum period of one month the sum of Euro 152,272 thousand for the concept referred to in section 4/ of the operative part of the Judgment, plus the corresponding legal interest calculated from the date on which the payment was made until the date of reimbursement; (iv) require the Ministry for Ecological Transition and the Demographic Challenge («MITECO») to quantify, within a maximum period of one month, the amount to be paid to the appellant as compensation for the cost of financing the Bono Social that corresponds to the free marketer of the Endesa Group, after deducting, where applicable, the amount it may have passed on to customers; (v) to order the Ministry for Ecological Transition and the Demographic Challenge («MITECO») to proceed as soon as possible to quantify the amount to be paid to the appellant for the amounts invested to implement the application, verification and management procedure for the Social Subsidy and to pay the appellant the appropriate amount for this item within a maximum period of 2 months, plus legal interest in the terms indicated in the operative part of the Judgment.

- In relation to the inspection process for the years 2011 to 2014, the final Income Tax (IT) and Value Added Tax (VAT) Settlement Agreements of the Income Tax (IT) and Value Added Tax (VAT) Tax Consolidation Groups, notified on 9 July 2018, to which Endesa, S.A. belongs, have been appealed before the National Court of Appeals since 3 June 2022.

The concepts under discussion originate mainly in the difference in criteria on the deductibility of certain financial expenses for the period inspected and on the deductibility of Value Added Tax (VAT) in application of the pro-rata rule. The contingency associated with the process is Euro 24 million. A guarantee was available to guarantee the suspension of both debts; however, following the rejection on 5 June 2023 of the precautionary measure relating to the VAT Settlement Agreement, it has been paid, and the guarantee that guarantees the suspension of the debt for the Income Tax (IT) Settlement Agreement has been maintained.

The Directors of the Company do not expect that as a result of the outcome of the aforementioned litigation and arbitration proceedings significant liabilities will arise in addition to those already recorded in the accompanying balance sheet.

6. Current and non-current financial liabilities

6.1. Current and non-current financial liabilities

At 30 June 2023, details and movements in «Non-current debts» and «Non-current debts with Group companies and associates» in the accompanying statement of financial position are as follows:

Millions of Euro

	Note	Balance at 31 December 2022	Drawdowns	Redemptions	Fair Value Adjustments	Short-term transfers and other	Other	Balance at 30 June 2023
Non-current debts		5,854	720	(527)	(1)	(131)	–	5,915
Bonds and other marketable securities		14	–	–	–	–	–	14
Bank borrowings		5,748	720	(527)	5	(132)	1	5,815
Financial lease payables		1	–	–	–	–	–	1
Derivatives		87	–	–	(6)	–	–	81
Other financial liabilities		4	–	–	–	1	(1)	4
Non-current debts to Group companies and associates	10.1	5,100	1,875	(450)	–	–	(6)	6,519
Debts to Group companies and associates		5,100	1,875	(450)	–	–	(6)	6,519
TOTAL		10,954	2,595	(977)	(1)	(131)	(6)	12,434

Details of «Current debts» and «Current debts to Group companies and associates» in the accompanying statements of financial position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	Note	30 June 2023	31 December 2022
Current debts		1,133	5,386
Bank borrowings		201	390
Finance lease payables		1	1
Other financial liabilities ⁽¹⁾		931	4,995
Current debts to Group companies and associates	10.1	1,221	50
Debts to Group companies and associates		38	41
Other financial liabilities (2)		1,183	9
TOTAL		2,354	5,436

⁽¹⁾ At 30 June 2023, this mainly included the dividend payable by Endesa, S.A. to shareholders that are not part of the Enel Group, amounting to Euro 501 million (see Note 4.5), as well as the outstanding balance of Euro Commercial Paper (ECP) issues amounting to Euro 419 million (31 December 2022: Euro 4,988 million).

⁽²⁾ At 30 June 2023, it mainly showed the dividend payable by Endesa, S.A. to Enel Iberia, S.L.U., amounting to Euro 1,177 million (see Note 4.5).

The composition of both current and non-current «Bank borrowings» and «Debts to Group companies and associates» in the accompanying statements of financial position at 30 June 2023 and 31 December 2022, is as follows:

Millions of Euro

	Note	30 June 2023		31 December 2022	
		Current	Non-current	Current	Corto Plazo
Deudas con Entidades de Crédito		5,815	201	5,748	390
Préstamo del Banco Europeo de Inversiones (BEI)		1,697	163	1,813	158
Préstamos del Instituto de Crédito Oficial (ICO)		560	17	575	17
Préstamo Sindicado - Club Deal		299	–	300	–
Otros Préstamos		3,191	20	3,036	214
Líneas de Crédito		68	1	24	1
Deudas con Empresas del Grupo y Asociadas	10.1	6,519	38	5,100	41
Enel Finance International, N.V.		6,519	36	5,100	21
Otras Deudas		–	2	–	20

The main transactions in the first six months of 2023 are as follows:

- A new Euro Commercial Paper (ECP) SDG 13 issue programme for Euro 5,000 million, the nominal outstanding was Euro 420 million at 30 June 2023, renewable with the backing of irrevocable bank credit

lines. This programme incorporates sustainability objectives, in line with the Strategic Plan.

- Furthermore, in the six-month period ended 30 June 2023, the following long-term financial operations have been formalised, all of them incorporating sustainability objectives:

Millions of Euro

Transaction	Counterparty	Signature date	Maturity date	Amount
Loan ^{(1) (2)}	European Investment Bank	17 January 2023	2038	250
Loan ⁽³⁾	Caixabank, S.A.	24 March 2023	3 May 2028	425
Loan ⁽³⁾	Kutxabank, S.A.	24 March 2023	4 May 2028	75
Loan ⁽³⁾	BNP Paribas	24 March 2023	5 May 2028	125
Loan ⁽³⁾	Enel Finance International, N.V.	4 May 2023	4 May 2028	1,875
Loan ^{(4) (5)}	Club Deal	29 May 2023	30 November 2025	300
Loan ^{(2) (6)}	European Investment Bank	28 June 2023	2038	200
Loan ^{(2) (6)}	Instituto de Crédito Oficial	28 June 2023	28 June 2035	300
Line of credit ⁽⁴⁾	BNP Paribas	24 March 2023	24 March 2026	125
Line of credit ⁽⁴⁾	Intesa San Paolo, S.P.A.	31 March 2023	31 March 2026	250
Line of credit ⁽⁴⁾	Enel Finance International, N.V.	4 May 2023	4 May 2026	1,125
Line of credit ^{(4) (5)}	Club Deal	29 May 2023	30 November 2025	250
TOTAL				5,300

⁽¹⁾ The credit conditions of these transactions are pegged to the objective established in the company's Strategic Plan to reduce specific emission of Scope 1 carbon dioxide (CO₂) emissions, equivalent to 145 gCO₂eq/kWh in 2024.

⁽²⁾ Relates to loans not paid out at 30 June 2023.

⁽³⁾ The credit conditions of these transactions are pegged to environmental sustainability goals according to the criteria set out in Article 3 of the EU Taxonomy Regulation, set at 80% by 31 December 2025.

⁽⁴⁾ The credit conditions of these transactions are pegged to environmental sustainability goals according to the criteria set out in Article 3 of the EU Taxonomy Regulation, set at 78% for 31 December 2023.

⁽⁵⁾ Renewal of existing loans and credit lines.

⁽⁶⁾ The credit terms of these operations are linked to the target set in the Strategic Plan to reduce specific Scope 1 carbon dioxide (CO₂) equivalent emissions to less than 145 gCO₂eq/kWh by 2025.

At 30 June 2023, the main transactions included in the non-current and current balances of «Bonds and other marketable securities», «Bank borrowings», «Other financial liabilities» and «Debts to Group companies and associates» are as follows:

	Limit	30 June		Conditions	Maturity
		Non-current	Current		
Bonds and other marketable securities		14	–		
Bond		14	–	Interest rate of 5.74%	12 November 2031
Bank borrowings		5,815	201		
European Investment Bank (EIB) ⁽¹⁾	2,298	1,697	163	Floating interest rate	Until 2038
Instituto de Crédito Oficial (ICO) ⁽²⁾	875	560	17	Floating interest rate	Until 28 June 2035
Club Deal ⁽³⁾	550	299	–	Floating interest rate	Until 30 November 2025
Banking loans	3,274	3,191	20	Fixed and floating interest rate	Until 27 October 2028
Lines of credit	3,364	68	1	Floating interest rate	Until 31 March 2026
Debts to Group companies and associates		6,519	1,221		
Line of credit with Enel Finance International, N.V. ⁽⁴⁾	1,700	–	2	Margin of 67 bp and fee applicable if not used of 20 bp	25 May 2025
Line of credit with Enel Finance International, N.V. ⁽⁴⁾	700	–	1	Margin of 72 bp and fee applicable if not used of 25 bp	13 May 2025
Line of credit with Enel Finance International, N.V. ⁽⁴⁾	1,125	–	–	Margin of 132 bp and fee applicable if not used of 23 bp	4 May 2026
Intercompany loan with Enel Finance International, N.V. ⁽⁵⁾	3,000	3,000	15	Fixed interest rate of 3.0%	29 October 2024
Intercompany loan with Enel Finance International, N.V. ⁽⁵⁾	1,650	1,650	5	Fixed interest rate of 1.997%	13 May 2027
Intercompany loan Enel Finance International, N.V. ⁽⁵⁾	1,875	1,869	13	Fixed interest rate of 4.263%	4 May 2028
Other debts		–	2		
Other financial liabilities ⁽⁷⁾		–	1,183		
Other financial liabilities		4	931		
European Commercial Paper (ECPs) ⁽⁶⁾	5,000	–	419	Floating interest rate	Renewed annually
Other financial liabilities ⁽⁸⁾		4	512	–	–
TOTAL		12,352	2,353		

⁽¹⁾ On 17 January 2023 and 28 June 2023 Endesa, S.A. arranged new financing lines with the European Investment Bank (EIB) for Euro 250 million and Euro 200 million, respectively, which are expected to be disbursed in the second half of 2023.

⁽²⁾ On 28 June 2023, Endesa, S.A. signed another financing agreement with the Official Credit Institute (ICO) for Euro 300 million, which will be disbursed on 3 July 2023.

⁽³⁾ On 17 April 2020, Endesa, S.A. arranged syndicated financing linked to sustainability targets with Caixabank, S.A. and Kutxabank, S.A. for Euro 300 million for the loan and Euro 250 million for the credit line, renewed for the same amounts on 25 March 2021 and subsequently on 29 May 2023. In the last Novation, the following entities have joined the Loan operation: Unicaja, S.A., Bankinter, S.A., Banco Cooperativo Español, S.A., Banco de Crédito Social Cooperativo, S.A. and Caja Laboral Kutxabank.

⁽⁴⁾ Committed and irrevocable credit lines (see Note 10.1).

⁽⁵⁾ On 23 October 2014, Endesa, S.A. arranged a long-term intercompany loan with Enel Finance International, N.V. for Euro 4,500 million. On 30 June 2015, Endesa, S.A. made a partial repayment of this loan in the amount of Euro 1,500 million. On 13 May 2022, Endesa, S.A. arranged another long-term intercompany loan with Enel Finance International, N.V. for Euro 1,650 million. At 4 May 2023, Endesa, S.A. arranged another long-term intercompany loan with Enel Finance International, N.V. for Euro 1,875 million. At 30 June 2023 accrued interest payable on both loans totalled Euro 33 million (Euro 20 million at 31 December 2022) (see Note 10.1).

⁽⁶⁾ This corresponds to the outstanding balance of Euro Commercial Paper (ECPs) pursuant to the new issuance programme registered by Endesa, S.A. on 10 May 2023.

⁽⁷⁾ Relates mainly to dividends payable to Enel Iberia, S.L.U., amounting to Euro 1,177 million.

⁽⁸⁾ Relates mainly to dividends payable to shareholders amounting to Euro 501 million.

Other debts

At 30 June 2023, «Current debts to Group companies and associates» includes a deposit received from Nuclenor, S.A. for the amount of Euro 2 million (Euro 6 million at 31 December 2022).

At 31 December 2022, «Current debts to Group companies and associates» also included the amount payable to Enel Iberia, S.L.U. for value added tax (VAT) of Euro 14 million.

6.2. Items recognised in the income statement and in equity

In the six-month period ended 30 June 2023 and 2022, the applications made in the income statement and equity linked to current and non-current financial liabilities grouped by the different categories are as follows:

Millions of Euro

	January–June 2023		January–June 2022	
	Income statement	Equity	Income statement	Equity
Financial liabilities at amortised cost	(223)	–	(13)	–
Fair value hedging derivatives	(6)	–	(33)	–
Cash flow hedging derivatives:	(1)	–	(4)	12
TOTAL	(230)	–	(50)	12

6.3. Fair value measurement

At 30 June 2023 and 31 December 2022, non-current and current financial liabilities measured at fair value in the statement of financial position by fair value hierarchy were as follows:

Millions of Euro

	30 June 2023			
	Level 3	Nivel 1	Nivel 2	Nivel 3
Non-current debts	95	–	95	–
Bonds and other marketable securities	14	–	14	–
Derivatives	81	–	81	–
Interest rate hedges	81	–	81	–
Fair value hedges	81	–	81	–
Total non-current liabilities	95	–	95	–

Millions of Euro

	31 December 2022			
	Fair value	Level 1	Level 2	Level 3
Non-current debts	101	–	101	–
Bonds and other marketable securities	14	–	14	–
Derivatives	87	–	87	–
Interest rate hedges	87	–	87	–
Fair value hedges	87	–	87	–
Total non-current liabilities	101	–	101	–

There were no level transfers among these financial liabilities in the six-month period ended 30 June 2023 or in the year ended 31 December 2022.

6.4. Financial stipulations

Endesa, S.A.'s borrowings are subject to the usual covenants in contracts of this type. Under no circumstances do these covenants insist on financial ratios the breach of which would lead to early repayment of the debt.

At 30 June 2023 and 31 December 2022, Endesa, S.A. was not in breach of covenants or any other financial obligations that would require early repayment of its financial commitments.

The outstanding bond issues of Endesa, S.A. (Euro 12 million at 30 June 2023) contain:

- Cross-default clauses, whereby the debt must be prepaid in the event of default (over and above a certain amount) on the settlement of certain obligations of Endesa, S.A.

Furthermore, the outstanding bond issuance commitments of Endesa, S.A. and the bank financing arranged by Endesa, S.A. contain the following clauses:

- Negative pledge clauses, whereby Endesa, S.A. may not issue mortgages, liens or other encumbrances on its assets (above a certain amount) to secure certain types of bonds, unless equivalent guarantees are issued in favour of the remaining debtors.
- Pari passu clauses, whereby bonds and bank financing have the same status as any other existing or future unsecured or non-subordinated debts issued by Endesa, S.A.

The Company's Directors do not consider that these clauses will change the current/non-current classification in the accompanying statement of financial position at 30 June 2023.

Information concerning the covenants on the Company's borrowings is set out in Note 12.8 to the financial statements of Endesa, S.A. for the year ended 31 December 2022. Some of the most significant information is detailed below:

Millions of Euro

Clauses	Transactions	Covenants	Nominal debt	
			30 June 2023	31 December 2022
Related to credit ratings	Financial transactions with the European Investment Bank (EIB) and Official Credit Institute («ICO»)	Additional or renegotiated guarantees in the event of credit rating downgrades	2,423	2,554
Relating to change of control.	Financial Operations with the European Investment Bank (EIB), the Instituto de Crédito Oficial ("ICO") and Enel Finance International, N.V.	May be repaid early in the event of a change of control at Endesa, S.A.	8,948 ⁽¹⁾	7,654 ⁽¹⁾
Related to asset transfers	Financial Operations with the European Investment Bank (EIB), the Instituto de Crédito Oficial ("ICO") and other financial entities	Restrictions arise if a percentage of between 7% and 10% of Endesa's consolidated assets is exceeded ⁽²⁾	5,997	6,178

⁽¹⁾ At 30 June 2023, the amount signed stood at Euro 13,223 million (Euro 12,604 million at 31 December 2022).

⁽²⁾ Above these thresholds, the restrictions would only apply, in general, if no equivalent consideration is received or if there was a material negative impact on Endesa, S.A.'s solvency.

6.5. Other matters

At 30 June 2023 and 31 December 2022, Endesa, S.A. had undrawn credit lines available and other liquidity totalling Euro 7,819 million and Euro 8,314 million, respectively, of

which Euro 3,525 million and Euro 4,950 million, respectively, related to committed irrevocable credit lines arranged with Enel Finance International, N.V. (see Note 10.1).

7. Risk control and management policy

In the six-month period ended 30 June 2023, Endesa, S.A. followed the same general risk control and management policy as that described in Note 13 to the financial statements for the year ended 31 December 2022.

7.1. Interest rate risk and foreign currency risk

The financial instruments and types of hedges are the same as those described in the financial statements for the year ended 31 December 2022.

The derivatives held by Endesa, S.A. relate mainly to transactions arranged to hedge interest rate risk, the purpose of which is to eliminate or significantly reduce

these risks in the underlying hedged transactions. At 30 June 2023, there were no foreign currency risk transactions arranged. In the current context, Endesa, S.A. has reviewed that the criteria established by the regulations to apply hedge accounting continue to be complied with.

7.2. Liquidity risk

Details of Endesa, S.A.'s liquidity position at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

	Liquidity	
	30 June 2023	31 December 2022
Cash and cash equivalents	20	26
Unconditional undrawn credit lines ⁽¹⁾	7,819	8,314
Liquidity	7,839	8,340

⁽¹⁾ At 30 June 2023 and 31 December 2022, Euro 3,525 million and Euro 4,950 million, respectively, related to committed and irrevocable credit lines arranged with Enel Finance International, N.V. (see Note 10.1).

At 30 June 2023, Endesa, S.A. had negative working capital of Euro 606 million. Available liquidity and non-current credit lines, as well the Company's access to the financial markets on preferential terms, provide assurance that the

Company is able to obtain sufficient financial resources to continue to operate, realise its assets and settle its liabilities for the amounts shown in the accompanying statement of financial position (see Note 2.4).

7.3. Credit risk

Endesa, S.A. mainly trades with counterparties of the business Group and therefore, it is exposed to limited credit risk.

As regards credit risk in relation to financial instruments, the risk policies followed by Endesa, S.A. consist in placing its cash surpluses as set forth in the risk management policy defined, which requires top-tier counterparties in the markets it operates in.

At 30 June 2023, the greatest exposure to cash positions held with a counterparty was Euro 15 million, of a total of Euro 20 million, with this counterparty having a rating equal to A- (Euro 7 million out of a total of Euro 26 million at 31 December 2022, that counterparty having a rating equal to BBB-).

8. Income and expenses

The Company's main income and expense for the six-month period ended 30 June 2023 and 2022 are detailed below.

8.1. Revenue

Details of «Revenue» in the accompanying income statements for the six-month period ended 30 June 2023 and 2022, by category and geographical market, are as follows:

Millions of Euro

	Note	January–June 2023			January–June 2022		
		Spain	Other EU	Total	Spain	Other EU	Total
Prestaciones de Servicios	10.1	153	1	154	132	2	134
Ingresos por Dividendos de Empresas del Grupo y Asociadas	3.1.1 and 10.1	570	—	570	—	—	—
TOTAL		723	1	724	132	2	134

«Dividend income from Group companies and associates» includes dividends distributed by Group companies (see Note 3.1.1), as shown below:

Millions of Euro

Company	January–June 2023
Endesa Red, S.A.U.	540
Endesa Financiación Filiales, S.A.U.	30
TOTAL	570

8.2. Impairment losses in Group companies and associates

There were no impairment losses in the six-month periods ended 30 June 2023 and 2022 (see Notes 3.1.1 and 10.1).

8.3. Personnel expenses

In the six-month period ended 30 June 2023 and 2022, details of «Personnel expenses» in the accompanying income statement are as follows:

Millions of Euro

	Note	January–June 2023	January–June 2022
Wages and salaries		66	62
Other employee benefits		17	13
Social security costs		11	10
Other		6	3
Provisions		8	13
Non-current employee benefits		4	4
Obligations for contract suspensions	5.2	4	9
TOTAL		91	88

8.4. Other operating expenses

In the six-month period 30 June 2023 and 2022, details of «Other operating expenses» in the accompanying income statement are as follows:

Millions of Euro

	January–June 2023	January–June 2022
External services	42	49
Leases and levies	4	4
Other repairs and upkeep costs	–	1
Independent professional services	8	10
Advertising and public relations	3	5
Other external services	27	29
Taxes other than income tax	215	–
Other current operating expenses	10	(8)
TOTAL	267	41

In the six-month period ended 30 June 2023, «Leases and levies» includes expenses relating to contracts of this type arranged with Group companies and associates for the amount of Euro 3 million (Euro 3 million in the six-month period ended 30 June 2022) (see Note 10.1).

In the six-month period ended 30 June 2023, «Other operating expenses» also includes other services received from Group companies and associates in the amount of Euro 18 million (Euro 21 million in the six-month period ended 30 June 2022) (see Note 10.1).

In the six-month period ended 30 June 2023, «Taxes» mainly includes the recognition of the expense of Euro 208

million associated with the Temporary Energy Tax introduced by Law 38/2022 of 27 December for the establishment of temporary energy taxes and taxes on credit institutions and financial credit establishments and which creates the temporary solidarity tax on large fortunes and amends certain tax regulations.

In the six-month period ended 30 June 2022, the heading «Other current operating expenses» of the accompanying income statement included Euro 18 million in income in connection with the amounts accrued and not paid under Settlement 12 – 2021 relating to the financing and co-financing of the Social Bonus with the public

administrations, following Supreme Court Ruling 202/2022, handed down under Appeal no. 687/2017, declaring the non-applicability of the Social Bonus financing system and the cost of supplying electricity to consumers at risk of social exclusion set forth in Article 45(4) of Spanish Law

24/2013 of 26 December, on the grounds that they were incompatible with Directive 2009/72/EC, of the European Parliament and of the Council of 13 July 2009, concerning common rules for the internal market in electricity (see Note 5.4).

8.5. Financial income and expenses

In the six-month period ended 30 June 2023 and 2022, the breakdown of financial income and expenses in the accompanying income statement is as follows:

Millions of Euro

	Note	January–June 2023	January–June 2022
Financial income		37	42
From marketable securities and other non-current credits		37	42
Interest on loans to Group companies and associates	10.1	24	9
Interest from loans to third parties		13	33
Loans and credits		10	8
Obligations for workforce restructuring plans	5.2	1	11
Contract suspensions		1	11
Other financial income	8.6	2	14
Financial expenses		(221)	(66)
On debts to Group companies and associates	10.1	(83)	(51)
Owed to third parties		(135)	(14)
Provision adjustments		(3)	(1)
Contract suspensions	5.2	(3)	(1)

8.6. Other results

Ruling 202/2022 of 21 February 2022, handed down by the Supreme Court in Appeal No. 687/2017, acknowledged the right of Endesa, S.A. to receive compensation for the amounts borne to finance and co-finance the Social Bonus with the public administrations during the whole term that the third financing system of the Social Bonus was in force. Accordingly, all amounts paid in this regard are to be returned to the claimant after discounting any amounts that may have been passed on to customers. As Endesa S.A. did pass on the financing cost to customers, either directly or indirectly, there are strong arguments to justify its right to a full refund of all the amounts borne in this

regard. In particular, with regard to the regulated segment of supply activities, the last resort suppliers may not pass on that cost to customers since their remuneration regime does not allow for it. Therefore, the recovery of such amounts should be automatic.

For this reason, a total of Euro 152 million in income was recognised in the six-month period ended 30 June 2022 in relation to this item. In addition, a total of Euro 14 million as late-payment interest was recognised under «*Financial income*» in the accompanying income statement (Euro 2 million in the six-month period ended 30 June 2023) (see Note 8.5).

9. Guarantees to third parties, commitments and other contingent liabilities

Information concerning guarantees to third parties and other contingent liabilities is set out in Note 17.1 to the financial statements of Endesa, S.A. for the year ended 31 December 2022. The most significant amounts at 30 June 2023 and 31 December 2022 are as follows:

Millions of Euro

Company	Purpose of guarantee	30 June 2023	31 December 2022
Enel, S.p.A.	Transactions in Derivative Financial Instruments in Energy Markets ⁽¹⁾	—	2,000
Endesa Generación, S.A.U.	Long-term gas contracts	55	56
Endesa Energía, S.A.U.	Gas contracts	272	165
Endesa Generación, S.A.U.	Electricity Production of Elecgas, S.A. («Tolling»)	324	334
Endesa Generación, S.A.U.	Energy contracts	102	287
Enel Green Power España, S.L.U. (EGPE) and Subsidiaries	Photovoltaic module supply contracts	250	277
Nuclenor, S.A.	Insurance	7	7
Endesa X Servicios, S.L.U.	Equipment supply contracts	23	23
Group companies	Workforce restructuring plans	5	7
Group companies	Other commitments	3,790	4,415
Enel Green Power España, S.L.U. (EGPE)		1,216	1,636
Endesa Energía, S.A.U.		1,402	1,334
Endesa Generación, S.A.U.		432	746
Energía XXI Comercializadora de Referencia, S.L.U.		203	143
Edistribución Redes Digitales, S.L.U.		100	96
Gas y Electricidad Generación, S.A.U.		107	107
Empresa Carbonífera del Sur, S.A.U.		4	4
Endesa Ingeniería, S.L.U.		6	6
Unión Eléctrica de Canarias Generación, S.A.U.		10	8
Other		310	335
TOTAL		4,828	7,571

⁽¹⁾ Relates to the counter-guarantee provided by Endesa, S.A. to Enel, S.p.A. to secure the guarantee previously provided by Enel, S.p.A. to Endesa Generación, S.A.U. (for the fulfilment of the latter's obligations to third parties derived from the operating rules of the national or international organised gas and electricity markets in which it participates), for an amount of up to Euro 2,000 million, with a duration until 30 June 2023.

Endesa, S.A.'s Management does not expect that its status as guarantor will result in significant liabilities for the Company.

Endesa, S.A. has the commitment to provide Endesa Financiación Filiales, S.A.U. with the financing required to enable this company to honour its commitments to finance Spanish Endesa, S.A. companies and their subsidiaries.

Enel, S.p.A. granted a guarantee in favour of Endesa, S.A. for a total of 137 million US dollars (approximately Euro 125 million) to secure the latter's obligations under the contracts signed with Corpus Christi Liquefaction, LLC. (approximately, Euro 128 million at 31 December 2022) (see Note 10.1).

10. Related-party transactions

During the six-month period ended 30 June 2023 and 2022, the Directors, or persons acting on their behalf, did not carry out transactions with the Company (or any of its subsidiaries) that do not correspond to the normal course of business or were not carried out in keeping with prevailing market conditions.

The amount of the transactions carried out with other parties related to certain members of the Board of Directors

corresponds to the Company's normal business activities which were, in all cases, carried out on an arm's length basis.

Transactions carried out with related parties in the six-month period ended 30 June 2023 and 2022 all correspond to normal activities and were carried out under normal market conditions.

10.1. Related-party transactions and balances

Details of related-party transactions in the six-month period ended 30 June 2023 and 2022 are as follows:

Thousands of Euro

	Note	January-June 2023					Total
		Significant shareholders	Directors and executives	Group companies	Associates and Joint Control	Other related parties	
Leases	8.4	—	—	(3)	—	(1)	(4)
Services received	8.4	(3)	—	(15)	—	—	(18)
Financial expenses	8.5	—	—	(83)	—	—	(83)
Other Expenses		—	—	—	—	(6)	(6)
TOTAL EXPENSES		(3)	—	(101)	—	(7)	(111)
Rendering of services	8.1	1	—	152	1	—	154
Financial income	8.5	—	—	24	—	—	24
Received Dividends	8.1	—	—	570	—	—	570
TOTAL INCOME		1	—	746	1	—	748
Dividends and other distributions	4.5	1,177	—	—	—	—	1,177
Contributions to pension schemes		—	—	—	—	7	7
Other transactions: Purchase of intangible assets		—	—	7	—	—	7

Millions of Euro

	Note	January–June 2023					Total
		Significant shareholders	Directors and executives	Group companies	Associates and Joint Control	Other related parties	
Leases	8.4	–	–	(3)	–	–	(3)
Services received	8.4	(4)	–	(17)	–	–	(21)
Financial expenses	8.5	–	–	(51)	–	–	(51)
TOTAL EXPENSES		(4)	–	(71)	–	–	(75)
Rendering of services	8.1	1	–	133	–	–	134
Financial income	8.5	–	–	9	–	–	9
TOTAL INCOME		1	–	142	–	–	143
Dividends and other distributions		696	–	–	–	–	696
Contributions to pension schemes		–	–	–	–	6	6
Other transactions: Purchase of intangible assets		–	–	8	–	–	8

The Company has signed with Endesa Energía, S.A.U. and Enel Global Trading, S.p.A. contracts for the sale of liquefied natural gas (LNG) through which it transfers, under the same conditions, the purchases made by the Company from Christi Liquefaction, LLC to execute the aforementioned contracts. This arrangement is considered to be an intermediation and is netted in the income

statement under «*Procurements*». The purchases and sales associated with this operation amounted to Euro 391 million in the six-month period ended 30 June 2023 (Euro 603 million in the six-month period ended 30 June 2022). At 30 June 2023 and 31 December 2022, balances with related parties recognised in the statement of financial position are as follows:

Millions of Euro

	Note	30 June 2023					Total
		Significant shareholders	Directors and executives (Note 10.2)	Group companies	Associates and Joint Control	Other related parties	
Non-current financial investments	3	–	–	18,926	–	–	18,926
Equity instruments		–	–	18,926	–	–	18,926
Trade and other receivables		2	–	170	1	–	173
Current financial investments	3	49	–	1,585	–	–	1,634
Loans to companies		49	–	1,582	–	–	1,631
Other financial assets		–	–	3	–	–	3
Non-current debts	6.1	–	–	(6,519)	–	–	(6,519)
Non-current debts to Group companies and associates		–	–	(6,519)	–	–	(6,519)
Current debts	6.1	(1,178)	–	(41)	(2)	–	(1,221)
Current debts to Group companies and associates		–	–	(36)	(2)	–	(38)
Other financial liabilities		(1,178)	–	(5)	–	–	(1,183)
Trade and other payables		(8)	–	(31)	–	–	(39)
Guarantees received	9	125	–	–	–	–	125
Guarantees provided	9	–	7	4,820	8	–	4,835
Financing agreements		–	1	–	–	–	1

Millions of Euro

31 December 2022							
	Note	Significant shareholders	Directors and executives (Note 10.2)	Group companies	Associates and Joint Control	Other related parties	Total
Non-current financial investments	3	–	–	18,926	–	–	18,926
Equity instruments		–	–	18,926	–	–	18,926
Trade and other receivables		1	–	82	–	–	83
Current financial investments	3	9	–	4,744	–	–	4,753
Loans to companies		9	–	4,744	–	–	4,753
Non-current debts	6.1	–	–	(5,100)	–	–	(5,100)
Non-current debts to Group companies and associates		–	–	(5,100)	–	–	(5,100)
Current debts	6.1	(15)	–	(29)	(6)	–	(50)
Current debts to Group companies and associates		(14)	–	(21)	(6)	–	(41)
Other financial liabilities		(1)	–	(8)	–	–	(9)
Trade and other payables		(12)	–	(38)	–	–	(50)
Guarantees received	9	128	–	–	–	–	128
Guarantees provided	9	2,000	7	5,564	7	–	7,578
Financing agreements		–	1	–	–	–	1

At 30 June 2023, Endesa, S.A. held 3 committed and irrevocable intercompany credit lines with Enel Finance International, N.V. in the amount of Euro 3,525 million (31 December 2022: four credit lines for a total of Euro 5,400 million). At 30 June 2023, no amount had been drawn down on these credit lines (Euro 450 million drawn down at 31 December 2022) (see Notes 6.1 and 7.2).

At 30 June 2023 and 31 December 2022, guarantees and sureties posted with Significant Shareholders totalled Euro

2,000 million and related to the counter-guarantee that Endesa, S.A. had provided to Enel, S.p.A. to secure the guarantee previously provided by Enel, S.p.A. to Endesa Generación, S.A.U. (for the fulfilment of the latter's obligations to third parties derived from the operating rules of the national or international organised gas and electricity markets in which it participates), for an amount of up to Euro 2,000 million, with a duration until 30 June 2023.

10.2. Information on the Board of Directors and Senior Management

10.2.1. Remuneration of the Board of Directors

The following remuneration and other benefits were received by Directors in the six-month period ended 30 June 2023 and 2022, based on the position held:

Thousands of Euro

Concepto Retributivo	Directors	
	Amount	
	January–June 2023	January–June 2022
Remuneration for belonging to the Board of Directors and/or Board committees	1,063	1,053
Salaries	500	480
Variable remuneration in cash	400	413
Share-based payment plans	142	130
Termination benefits	–	–
Long-term savings systems	7	6
Other items	119	123
TOTAL	2,231	2,205

Advances and loans

At 30 June 2023, the Executive Director held a loan of Euro 230 thousand at an average interest rate of 1.221% (31

December 2022: Euro 230 thousand, at an average interest rate of 0.0167%), an interest-free loan of Euro 421 thousand (31 December 2022: Euro 421 thousand) (the interest subsidy qualifies as remuneration in kind).

10.2.2. Remuneration of Senior Management

The following remuneration was received by Senior Management in the six-month period ended 30 June 2023 and 2022:

Thousands of Euro

Remuneration Item	Executives	
	Amount	
	January–June 2023	January–June 2022
Remuneration received ⁽¹⁾	4,083	3,703
TOTAL	4,083	3,703

⁽¹⁾ The remuneration received by Senior Management includes the amount relating to the discount for the purchase of shares, Euro 42 thousand and the discount corresponding to the canteen of Euro 3 thousand, under the Flexible Remuneration Plan (Euro 66 thousand and Euro 1 thousand, respectively, in the six-month period ended 30 June 2022).

Senior Management at 30 June 2023 and 2022 comprised 12 people.

Other information

At 30 June 2023 and 31 December 2022, in terms of remuneration, the Company had not issued any guarantees to Senior Managers who are not also executive Directors.

At 30 June 2023 and 2022, the Company had all its early retirement and pension obligations with Directors and Senior Managers covered.

10.2.3. Other disclosures concerning the Board of Directors

The members of the Board of Directors reported no direct or indirect conflicts between their own interests and those of the Company in the first half of 2023, in accordance with Articles 229 and 529 *duovicies* of the Corporate Enterprises Act («LSC»).

Distribution by gender: At 30 June 2023, the Board of Directors of Endesa, S.A. comprised 12 Directors, 5 of

whom were women (12 Directors, five of whom were women at 31 December 2022).

In the first six months of 2023 and 2022, the Company arranged third-party liability insurance policies for Directors and Senior Managers for a gross amount of Euro 887 thousand and Euro 886 thousand, respectively. This insures both the Company's Directors and employees with management responsibilities.

10.2.4. Share-based payment schemes tied to the Endesa, S.A. share price

Endesa's long-term variable remuneration is based on long-term remuneration schemes, known as «Loyalty and Strategic Incentive Plans», aimed primarily at strengthening the commitment of employees, who occupy positions of greater responsibility in the attainment of the Group's strategic targets. The Plan is structured through successive triennial programs, which start every year from 1 January 2010. Since 2014, the Plans have foreseen a deferral of the payment and the need for the Executive to be active on the date of liquidation thereof; and payments are made on two dates: 30% of the incentive will be paid in the year following the end of the Plan, and the remaining 70%, if applicable, will be paid two years after the end of the Plan. Once the accrual period of the Loyalty and Strategic Incentive Plans has ended, the only entitlement to payment of these will be in the event of retirement, termination of the fixed-term contract or decease, with payment being made at the corresponding time, and may be advanced to the heirs in the event of death. For those Loyalty and Strategic Incentive Plans in which the accrual has not ended, only the amount corresponding to the Base Amount of the Incentive that has been assigned, «pro rata

temporis» until the date of termination of the contractual relationship, when the Exercise Conditions are met for departures due to retirement or termination of the fixed-term contract.

Information on both the 2021–2023 Strategic Incentive Plan and the 2022–2024 Strategic Incentive Plan of Endesa is provided in Note 18.3.5 to Endesa, S.A.'s financial statements for the year ended 31 December 2022.

On 28 April 2023, the General Shareholders' Meeting of Endesa, S.A. approved a long-term variable remuneration scheme known as the *2023–2025 Strategic Incentive Plan*. The purpose and characteristics of this Plan are the same as those of the *2021–2023 Strategic Incentive Plan* and the *2022–2024 Strategic Incentive Plan*, as described in Note 18.3.5 to Endesa, S.A.'s financial statements for the year ended 31 December 2022, while the performance period and targets to which its accrual is tied differ.

Therefore, the accrual of the *2023–2025 Strategic Incentive* is linked to the fulfilment of four targets during the performance period, which shall be three years running from 1 January 2023:

	Targets
Accrual of 2023–2025 Strategic Incentive.	1. Performance of the average Total Shareholder Return (TSR) of Endesa, S.A. in relation to the performance of the average TSR of the EuroStoxx Utilities index, selected as the benchmark for the peer group. This parameter will be weighted at 50% of the total incentive.
	2. ROIC Target (Return on Invested Capital) – WACC (Weighted Average Cost of Capital) represented by the ratio between NOPAT (Ordinary EBIT excluding tax effect) and Average net invested capital (NIC) less WACC. This parameter is weighted at 30%.
	3. Reduction in carbon dioxide (CO2) emissions at Endesa in Spain and Portugal by 2025. This parameter is weighted at 10% of the total Incentive.
	4. Percentage of women in the management succession plans in 2025. This parameter is weighted at 10% of the incentive.

⁽¹⁾ *Return on Invested Capital (ROIC) (%)* = Ordinary Operating Income without tax effect (Ordinary EBIT without tax effect) / Average Net Invested Capital (Average NIC).

⁽²⁾ Ordinary EBIT without tax effect (Millions of Euro) = EBIT adjusted for non-budgeted after-tax extraordinary effects.

⁽³⁾ WACC (Weighted Average Cost of Capital) = Endesa's after-tax discount rate for the relevant period.

⁽⁴⁾ Average Net Invested Capital (Average NIC) (Millions of Euro) = ((Equity + Net Financial Debt) n + (Equity + Net Financial Debt) n-1) / 2.

The amount accrued under the plans in effect in the first half of 2023 was Euro 1.3 million (Euro 1.4 million in the first half of 2022), with Euro 0.7 million corresponding to the estimation of the share-based payments to be settled in equity instruments (Euro 0.7 million in the first half of 2022) and Euro 0.6 million to the estimation of the plan payments to be settled in cash (Euro 0.7 million in the first half of 2022).

11. Other information

11.1. Personnel

In the six-month period ended 30 June 2023 and 2022, the Company's average headcount, by category and gender, was as follows:

Number of employees

	January-June 2023			January-June 2022		
	Male	Female	Total	Male	Female	Total
Executives	62	21	83	81	27	108
Middle management	479	489	968	456	459	915
Administration and management personnel and workers	71	124	195	78	143	221
TOTAL EMPLOYEES	612	634	1,246	615	629	1,244

At 30 June 2023 and 31 December 2022, the breakdown of the headcount by category and gender was as follows:

Number of employees

	30 June 2023			31 December 2022		
	Male	Female	Total	Male	Female	Total
Executives	62	21	83	64	20	84
Middle management	492	508	1,000	471	482	953
Administration and management personnel and workers	69	124	193	74	130	204
TOTAL EMPLOYEES	623	653	1,276	609	632	1,241

The average number of employees in the six-month period ended 30 June 2023 and 2022 with a disability greater than or equal to 33%, by category and gender, was as follows:

Number of employees

	January-June 2023			January-June 2022		
	Male	Female	Total	Male	Female	Total
Middle management	8	6	14	5	4	9
Administration and management personnel and workers	6	4	10	2	4	6
TOTAL EMPLOYEES	14	10	24	7	8	15

11.2. Insurance

The Company has taken out insurance policies to cover the risk of damage to property, plant and equipment of the parent company and the subsidiaries in which it has a shareholding of 50% or more or has effective control. The limits and coverage are appropriate to the types of risk and country of operation.

The possible loss of profits that could result from outages at the facilities is also covered by certain assets. Possible claims against the Company by third parties due to the nature of its activity are also covered. During the first half of 2023, Endesa, S.A. did not detect any significant impacts in relation to the insurance policies it had taken out.

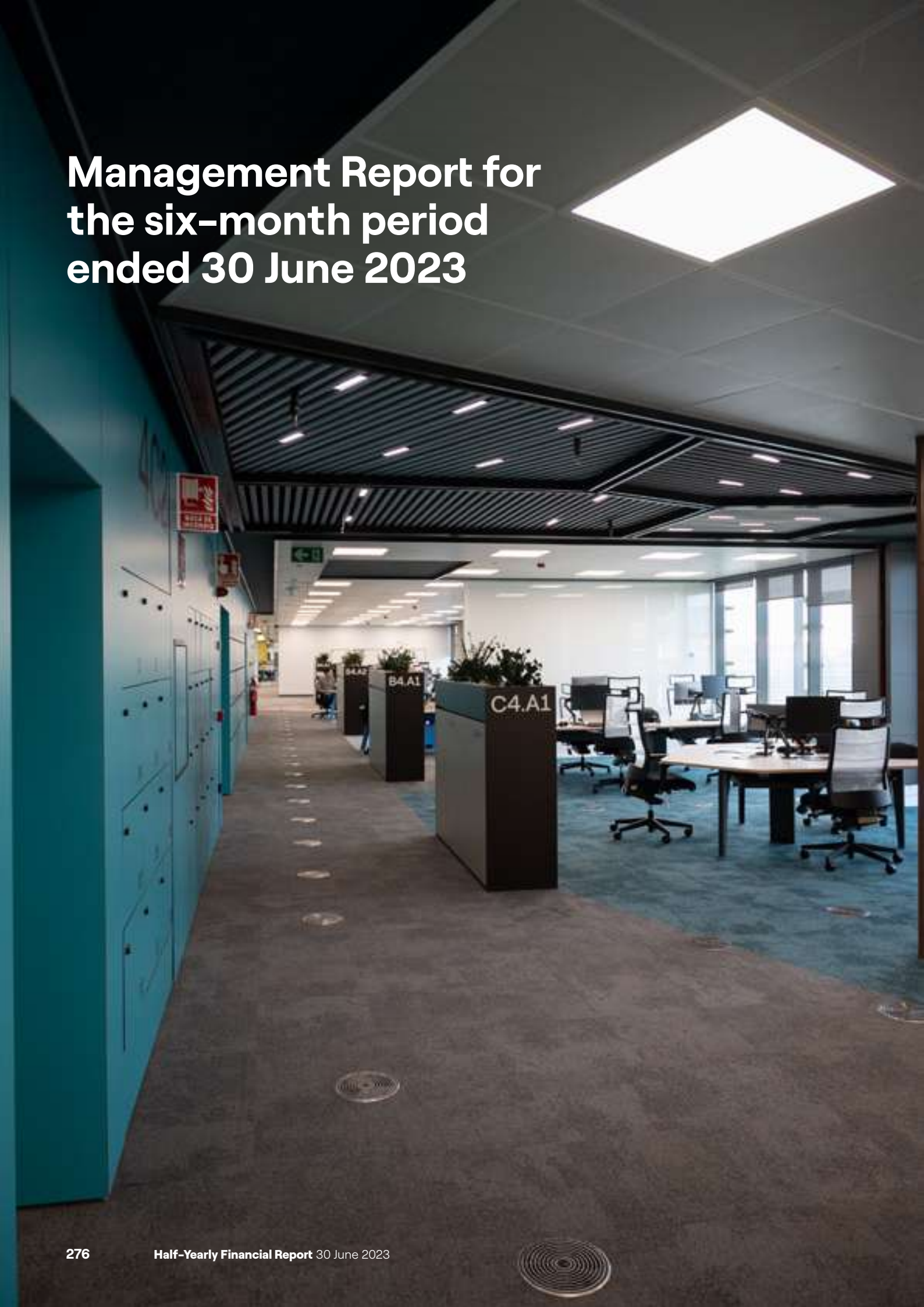
12. Events after the reporting period

Other than the events described above, no other significant events took place between 30 June 2023 and the date of approval of these Individual Interim Condensed Financial Statements other than those shown herein.

13. Explanation added for translation to English

These Individual Interim Condensed Financial Statements are presented on the basis of accounting principles generally accepted in Spain. Consequently, certain accounting practices applied by the Company that conform to generally accepted accounting principles in Spain may not conform to other generally accepted accounting principles in other countries. Translation from the original issued in Spanish. In the event of discrepancy, the Spanish language version prevails.

Management Report for the six-month period ended 30 June 2023



(Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

1. Business performance

Endesa, S.A. is a holding company and its income essentially depends on the dividends from its subsidiaries and its expenses from the cost of its debt. Provisions for investments can also be made or reversed based on changes in the value of its subsidiaries.

Revenue in the first half of 2023 totalled Euro 724 million, of which Euro 570 million related to dividend income from Group companies and associates and Euro 154 million to income from the provision of services to subsidiaries.

The detail of Endesa, S.A.'s dividend income in the first half of 2023 is as follows:

Millions of Euro

Company	Dividend
Endesa Red, S.A.U.	540
Endesa Financiación Filiales, S.A.U.	30
TOTAL	570

In the six-month period ended 30 June 2023, operating income totalled Euro 731 million, while operating expenses

were Euro 377 million, generating total profit from operations of Euro 354 million. This positive result is mainly due to the aforementioned dividend income of Euro 570 million from subsidiaries received in the first half of 2023, as well as the expense associated with the Temporary Energy Tax introduced by Law 38/2022 of 27 December, amounting to Euro 208 million.

A financial loss amounting to Euro 199 million was reported in the first six months of 2023, primarily as a consequence of the financial expenses on debts to Group companies and associates amounting to 83 million, as well as financial expenses on loans and credit lines with various financial institutions and interest accrued on Euro Commercial Paper (ECP) issues amounting to 135 million euro.

The pre-tax profit for the period was Euro 155 million.

Corporate income tax accrued in the first half of 2023 resulted an income of Euro 42 million, bringing profit for the first half of 2023 to Euro 197 million.

2. Main financial transactions

The main transactions in the first six months of 2023 are as follows:

- A new Euro Commercial Paper (ECP) SDG 13 issue programme worth Euro 5,000 million, the nominal outstanding which was Euro 420 million at 30 June 2023, renewable with the backing of irrevocable bank

credit lines. This programme incorporates sustainability objectives, in line with the Strategic Plan.

- Furthermore, in the six-month period ended 30 June 2023, the following financial operations have been formalised, most of them incorporating sustainability objectives:

Millions of Euro

Transaction	Counterparty	Signature date	Maturity date	Amount
Loan ⁽¹⁾⁽²⁾	European Investment Bank	17 January 2023	2038	250
Loan ⁽³⁾	Caixabank, S.A.	24 March 2023	3 May 2028	425
Loan ⁽³⁾	Kutxabank, S.A.	24 March 2023	4 May 2028	75
Loan ⁽³⁾	BNP Paribas	24 March 2023	5 May 2028	125
Loan ⁽³⁾	Enel Finance International, N.V.	4 May 2023	4 May 2028	1,875
Loan ⁽⁴⁾⁽⁵⁾	Club Deal	29 May 2023	30 November 2025	300
Loan ⁽²⁾⁽⁶⁾	European Investment Bank	28 June 2023	2038	200
Loan ⁽²⁾⁽⁶⁾	Instituto de Crédito Oficial	28 June 2023	28 June 2035	300
Line of credit ⁽⁴⁾	BNP Paribas	24 March 2023	24 March 2026	125
Line of credit ⁽⁴⁾	Intesa San Paolo, S.P.A.	31 March 2023	31 March 2026	250
Line of credit ⁽⁴⁾	Enel Finance International, N.V.	4 May 2023	4 May 2026	1,125
Line of credit ⁽⁴⁾⁽⁵⁾	Club Deal	29 May 2023	30 November 2025	250
TOTAL				5,300

⁽¹⁾ The credit conditions of these transactions are pegged to the objective established in the company's Strategic Plan to reduce specific emission of Scope 1 carbon dioxide (CO₂) emissions, equivalent to 145 gCO₂eq/kWh in 2024.

⁽²⁾ Relates to loans not paid out at 30 June 2023.

⁽³⁾ The credit conditions of these transactions are pegged to environmental sustainability goals according to the criteria set out in Article 3 of the EU Taxonomy Regulation, set at 80% by 31 December 2025.

⁽⁴⁾ The credit conditions of these transactions are pegged to environmental sustainability goals according to the criteria set out in Article 3 of the EU Taxonomy Regulation, set at 78% for 31 December 2023.

⁽⁵⁾ Renewal of existing loans and credit lines.

⁽⁶⁾ The credit terms of these operations are linked to the target set in the Strategic Plan to reduce specific Scope 1 carbon dioxide (CO₂) equivalent emissions to less than 145 gCO₂eq/kWh by 2025.

3. Events after the reporting period

There have been no significant subsequent events between 30 June 2023 and the date of approval of the Individual Interim Condensed Financial Statements for the six-month period ended 30 June 2023 that have not been reflected in the Condensed Explanatory Notes thereto.

4. Russia–Ukraine conflict and COVID–19 health crisis

The macroeconomic and geopolitical environment during the first 6 months of 2023 has been characterised by uncertainty and volatility as a result of:

- The prolongation of the Russia–Ukraine conflict, which shows no signs of resolution in the short term; and its implications on the supply and prices of raw materials, mainly gas;
- The sharp rise in inflation coupled with potential supply chain tensions and the implications of the reopening of the Chinese economy;
- Cybersecurity; and
- The current macroeconomic context of rising interest rates which has led to a rise in the cost of financing public and corporate debt.

With regard to liquid fuels markets, these have been rebalanced once the sanctions imposed by the European Union (EU) on imports of Russian crude oil and products stemming from the conflict in Ukraine have come into force. Products are now available in the main refining and trading hubs in northern Europe. For their part, Endesa's subsidiaries have closed their fuel oil and diesel supply needs for plants in the Non–Mainland Territories ("TNP") with companies of recognised solvency and with their own refining capacity. However, it could be the case that existing market tensions make these supplies difficult.

With regard to gas, Endesa's subsidiaries do not have counterparties that could be affected by the sanctions, nor does it have any gas supply contracts with Russia, meaning that the company's gas supply is secure. Gas prices in the

European markets affected by the reduction in Russian gas supplies to Europe, particularly the Title Transfer Facility (TTF), followed a downward trend in the first half of 2023 due to the mild winter temperatures, the measures adopted to reduce demand and the diversification of supply. In this sense, Endesa's subsidiaries have contracted positions in this index as a result of their strategy to hedge expected revenues from gas sales, and this downward trend in commodity markets has required lower liquidity needs derived from the net position subject to margining of financial instruments contracted in organised markets. With regard to uranium (UF₆), Endesa's subsidiaries have covered the nuclear fuel needs for reloads until 2024 and are making progress in covering the needs for 2025, which are currently covered if the reserve stock is used.

Given the complexity of the current environment and in compliance with the recommendations of the European Securities and Markets Authority (ESMA) dated 14 March 2022, 13 May 2022 and 28 October 2022, Endesa and its subsidiaries monitor both the status and evolution of the current situation generated by the Russia–Ukraine conflict in order to manage potential risks and changes in the macroeconomic, financial and commercial variables of the current environment, as well as the regulatory measures in force, in order to update the estimate of the possible impacts on the financial statements. This analysis is detailed in the following Explanatory Notes to these Individual Interim Condensed Financial Statements:

Aspects	Explanatory Note	Contents
Going Concern	2.4	Impact of the conflict and the macroeconomic environment on the activities carried out by Endesa's subsidiaries.
Provisions	5	Actuarial assumptions used.
Financial Instruments	3	Modification of the business model and the characteristics of the contractual cash flows of the financial assets, as well as reclassification between their categories. Evolution of the valuation and settlement of derivatives, detail of financial instruments and compliance with the criteria established by the regulations for applying hedge accounting.
Financial Debt	6	Details of financial debt.
Liquidity Risk	7.2	Detail of liquidity position.
Credit Risk	7.3	Analysis of impairment of financial assets.
Fair Value Measurement	3.4 y 6.3	Details of financial assets and liabilities measured at fair value.

In accordance with the foregoing, in the first half of 2023 the effects arising from both the conflict and the current context have not had a significant impact on the gross operating income (EBITDA) or operating income (EBIT) of Endesa's subsidiaries. The net position subject to margining in the Organised Markets in which Endesa and its subsidiaries contract their financial instruments shows the

evolution of the gas market, whose prices have recently been at lower levels than those prior to the conflict, which has led to lower collateralisation needs of Endesa's subsidiaries of Euro 3,756 million at 30 June 2023 compared to 31 December 2022, which have had a positive impact on the liquidity position of Endesa and its subsidiaries.

5. Risk control and management policy and the principal risks associated with Endesa's business

Information on the risk control and management policy is included in Note 7 of the Condensed Explanatory Notes of the Individual Interim Condensed Financial Statements for

the six-month period ended 30 June 2023 and in Note 13 to the financial statements of Endesa, S.A. for the year ended 31 December 2022.

6. Policy on derivative financial instruments

Information on derivative financial instruments is provided in Note 14 to the Financial Statements of Endesa S.A., for the year ended 31 December 2022.

7. Human resources

Information concerning personnel is included in Note 11.1 of the Individual Interim Condensed Financial Statements for the six-month period ended 30 June 2023.

8. Treasury shares

At 30 June 2023, the Company held treasury shares to provide coverage to various long-term variable remuneration plans that include the delivery of shares (see Note 4.4 to the separate condensed financial statements for the six-month period ended 30 June 2023 and Note 10.4 to the financial statements of Endesa, S.A. for the year ended 31 December 2022).

The transactions involving treasury shares in the six-month period ended 30 June 2023 are detailed in the Condensed Explanatory Note 4.4 of the Individual Interim Condensed Financial Statements for the six-month period ended 30 June 2023.

9. Environmental protection

Information on environmental activities is provided in Note 20 to the financial statements of Endesa S.A. for the year ended 31 December 2022.

10. Research and development activities

The Company did not carry out any research and development activities directly as these fall within the remit of its subsidiaries.

11. Information on the average payment period to suppliers

Information on the average payment period to suppliers is provided in Note 19.3 to the financial statements of Endesa, S.A. for the year ended 31 December 2022.

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ANNEX I

GENERAL

1st HALF-YEARLY FINANCIAL REPORT FOR FINANCIAL YEAR **2023**

REPORTING DATE **30/06/2023**

I. IDENTIFICATION DATA

Registered Company Name: ENDESA, S.A.

Registered Address: Ribera del Loira Street, 60 – 28042 Madrid	Tax Identification Number
	A-28023430

II. SUPPLEMENTARY INFORMATION TO PREVIOUSLY RELEASED PERIODIC INFORMATION

Explanation of the main modifications with respect to the previously released periodic information:
(To be completed only in the situations indicated in Section B) of the instructions)

[Empty box for supplementary information]

III. STATEMENT(S) BY THE PERSON(S) RESPONSIBLE FOR THE INFORMATION

To the best of our knowledge, the accompanying condensed annual financial statements, which have been prepared in accordance with applicable accounting principles, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or of the undertakings included in the consolidated financial statements taken as a whole, and the interim management report includes a fair review of the information required.

Comments on the above statement(s):**Person(s) responsible for this information:**

Name/Company Name	Office
Juan Sánchez-Calero Guilarte	CHAIRMAN
Flavio Cattaneo	VICE CHAIRMAN
José D. Bogas Gálvez	CHIEF EXECUTIVE OFFICER
Eugenia Bieto Caubet	DIRECTOR
Ignacio Garralda Ruíz de Velasco	DIRECTOR
Pilar González de Frutos	DIRECTOR
Francesca Gostinelli	DIRECTOR
Alicia Koplowitz y Romero de Juseu	DIRECTOR
Francisco de Lacerda	DIRECTOR
Alberto de Paoli	DIRECTOR
Cristina de Parias Halcón	DIRECTOR

In accordance with the power delegated by the board of directors, the board secretary certifies that the half-yearly financial report has been signed by the directors.

Date this half-yearly financial report was signed by the corresponding governing body: 25/07/2023

SELECTED FINANCIAL INFORMATION

ENDESA, S.A.

1 HALF-YEAR OF 2023

IV. SELECTED FINANCIAL INFORMATION

1. INDIVIDUAL BALANCE SHEET (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS) (1/2)

Units: Thousand euros

ASSETS		CURRENT PERIOD	PREVIOUS PERIOD	
		30/06/2023	31/12/2022	
A) NON-CURRENT ASSETS		40	19,237,087	19,251,790
1.	Intangible assets:	30	82,570	94,525
	a) Goodwill	31		
	b) Other intangible assets	32	82,570	94,525
2.	Property, plant and equipment	33	1,573	1,943
3.	Investment property	34		
4.	Long-term investments in group companies and associates	35	18,926,306	18,926,039
5.	Long-term financial investments	36	122,746	129,452
6.	Deferred tax assets	37	103,892	99,831
7.	Other non-current assets	38		
B) CURRENT ASSETS		85	2,011,143	5,076,010
1.	Non-current assets held for sale	50		
2.	Inventories	55		
3.	Trade and other receivables:	60	177,004	118,997
	a) Trade receivables	61		
	b) Other receivables	62	177,004	118,997
	c) Current tax assets	63		
4.	Short-term investments in group companies and associates	64	1,633,829	4,753,237
5.	Short-term financial investments	70	177,952	175,997
6.	Prepayments and accrued income	71	1,858	1,632
7.	Cash and cash equivalents	72	20,500	26,147
TOTAL ASSETS (A + B)		100	21,248,230	24,327,800

Comments

IV. SELECTED FINANCIAL INFORMATION

1. INDIVIDUAL BALANCE SHEET (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS) (2/2)

Units: Thousand euros

EQUITY AND LIABILITIES		CURRENT PERIOD	PREVIOUS PERIOD
		30/06/2023	31/12/2022
A) EQUITY (A.1 + A.2 + A.3)	195	5,959,250	7,444,910
A.1) CAPITAL AND RESERVES	180	5,884,315	7,365,875
1. Capital:	171	1,270,503	1,270,503
a) Authorised capital	161	1,270,503	1,270,503
b) <i>Less: Uncalled capital</i>	162		
2. Share premium	172	88,800	88,800
3. Reserves	173	1,453,780	1,455,025
4. <i>Less: Treasury stock</i>	174	(4,928)	(4,901)
5. Profit and loss in prior periods	178	2,874,355	3,855,295
6. Other shareholder contributions	179	319	319
7. Profit (loss) for the period	175	196,858	697,200
8. <i>Less: Interim dividend</i>	176		
9. Other equity instruments	177	4,628	3,634
A.2) VALUATION ADJUSTMENTS	188	74,935	79,035
1. Available-for-sale financial assets	181		
2. Hedging transactions	182	74,935	79,035
3. Others	183		
A.3) GRANTS, DONATIONS AND BEQUESTS RECEIVED	194		
B) NON-CURRENT LIABILITIES	120	12,671,428	11,208,339
1. Long-term provisions	115	198,034	212,110
2. Long-term debts:	116	5,914,040	5,854,242
a) Debt with financial institutions and bonds and other marketable securities	131	5,828,913	5,761,871
b) Other financial liabilities	132	85,127	92,371
3. Long-term payables to group companies and associates	117	6,518,711	5,100,000
4. Deferred tax liabilities	118	40,643	41,987
5. Other non-current liabilities	135		
6. Long-term accrual accounts	119		
C) CURRENT LIABILITIES	130	2,617,552	5,674,551
1. Liabilities associated with non-current assets held for sale	121		
2. Short-term provisions	122	36,326	39,632
3. Short-term debts:	123	1,133,250	5,385,128
a) Debt with financial institutions and bonds and other marketable securities	133	201,519	389,903
b) Other financial liabilities	134	931,731	4,995,225
4. Short-term payables to group companies and associates	129	1,221,189	50,012
5. Trade and other payables:	124	226,595	199,587
a) Suppliers	125		
b) Other payables	126	226,595	199,587
c) Current tax liabilities	127		
6. Other current liabilities	136		
7. Current accrual accounts	128	192	192
TOTAL EQUITY AND LIABILITIES (A + B + C)	200	21,248,230	24,327,800

Comments

IV. SELECTED FINANCIAL INFORMATION

2. INDIVIDUAL PROFIT AND LOSS STATEMENT (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units: Thousand euros

			PRESENT CURR.	PREVIOUS CURR.	CURRENT	PREVIOUS
			PERIOD	PERIOD	CUMULATIVE	CUMULATIVE
			(2nd HALF YEAR)	(2nd HALF YEAR)	30/06/2023	30/06/2022
(+)	Revenue	205			723,826	133,667
(+/-)	Change in inventories of finished products and work in progress	206				
(+)	Own work capitalised	207				
(-)	Supplies	208			(33)	(80)
(+)	Other operating revenue	209			509	1,291
(-)	Personnel expenses	217			(91,503)	(87,566)
(-)	Other operating expenses	210			(266,926)	(41,324)
(-)	Depreciation and amortisation charge	211			(19,664)	(17,746)
(+)	Allocation of grants for non-financial assets and other grants	212				
(+)	Reversal of provisions	213			6,923	
(+/-)	Impairment and gain (loss) on disposal of non-current assets	214				
(+/-)	Other profit (loss)	215			189	152,088
=	OPERATING PROFIT (LOSS)	245			353,321	140,330
(+)	Finance income	250			37,140	42,081
(-)	Finance costs	251			(221,309)	(65,835)
(+/-)	Changes in fair value of financial instruments	252			(12,018)	6,508
(+/-)	Exchange differences	254			(2,649)	5,771
(+/-)	Impairment and gain (loss) on disposal of financial instruments	255				
=	NET FINANCE INCOME (COSTS)	256			(198,836)	(11,475)
=	PROFIT (LOSS) BEFORE TAX	265			154,485	128,855
(+/-)	Income tax expense	270			42,373	(32,934)
=	PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING ACTIVITIES	280			196,858	95,921
(+/-)	Profit (loss) for the period from discontinued operations, net of tax	285				
=	PROFIT (LOSS) FOR THE PERIOD	300			196,858	95,921

	EARNINGS PER SHARE		Amount	Amount	Amount	Amount
			(X.XX euros)	(X.XX euros)	(X.XX euros)	(X.XX euros)
	Basic	290			0.19	0.09
	Diluted	295			0.19	0.09

Comments

IV. SELECTED FINANCIAL INFORMATION
3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY
a) INDIVIDUAL STATEMENT OF RECOGNISED INCOME AND EXPENSE (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units: Thousand euros

		CURRENT	PREVIOUS
		PERIOD	PERIOD
		30/06/2023	30/06/2022
A) PROFIT (LOSS) FOR THE PERIOD (from the profit and loss account)	305	196,858	95,921
B) INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	310	1,210	64,192
1. From measurement of financial instruments:	320		
a) Available-for-sale financial assets	321		
b) Other income/(expenses)	323		
2. From cash flow hedges	330	3,274	69,572
3. Grants, donations and bequests received	340		
4. From actuarial gains and losses and other adjustments	344	(1,661)	16,017
5. Other income and expense recognised directly in equity	343		
6. Tax effect	345	(403)	(21,397)
C) TRANSFERS TO PROFIT OR LOSS	350	(6,556)	3,134
1. From measurement of financial instruments:	355		
a) Available-for-sale financial assets	356		
b) Other income/(expenses)	358		
2. From cash flow hedges	360	(8,742)	4,179
3. Grants, donations and bequests received	366		
4. Other income and expense recognised directly in equity	365		
5. Tax effect	370	2,186	(1,045)
TOTAL RECOGNISED INCOME/(EXPENSE) FOR THE PERIOD (A + B + C)	400	191,512	163,247

Comments

IV. SELECTED FINANCIAL INFORMATION
3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY
B. INDIVIDUAL STATEMENT OF TOTAL CHANGES IN EQUITY (1/2)
(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units: Thousand euros		Capital and Reserves					Valuation adjustments	Grants, donations and bequests received	Total Equity
CURRENT PERIOD		Capital	Share premium and Reserves	Treasury stock	Profit (loss) for the period	Other equity instruments			
Opening balance at 01/01/2023	3010	1,270,503	5,399,439	(4,901)	697,200	3,634	79,035	7,444,910	
Adjustments for changes in accounting policy	3011								
Adjustment for errors	3012								
Adjusted opening balance	3015	1,270,503	5,399,439	(4,901)	697,200	3,634	79,035	7,444,910	
I. Total recognised income/(expense) in the period	3020		(1,246)		196,858		(4,100)	191,512	
II. Transactions with shareholders or owners	3025		(1,678,139)	(27)				(1,678,166)	
1. Capital increases/ (reductions)	3026								
2. Conversion of financial liabilities into equity	3027								
3. Distribution of dividends	3028		(1,678,139)					(1,678,139)	
4. Net trading with treasury stock	3029			(27)				(27)	
5. Increases/ (reductions) for business combinations	3030								
6. Other transactions with shareholders or owners	3032								
III. Other changes in equity	3035		697,200		(697,200)	994		994	
1. Equity-settled share-based payment	3036					994		994	
2. Transfers between equity accounts	3037		697,200		(697,200)				
3. Other changes	3038								
Closing balance at 30/06/2023	3040	1,270,503	4,417,254	(4,928)	196,858	4,628	74,935	5,959,250	

Comments

IV. SELECTED FINANCIAL INFORMATION
3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY
B. INDIVIDUAL STATEMENT OF TOTAL CHANGES IN EQUITY (2/2)
(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units: Thousand euros

PREVIOUS PERIOD		Capital and Reserves					Valuation adjustments	Grants, donations and bequests received	Total Equity
		Capital	Share premium and Reserves	Treasury stock	Profit (loss) for the period	Other equity instruments			
Opening balance at 01/01/2022 (comparative period)	3050	1,270,503	5,793,332	(3,484)	581,311	1,939	(8,097)	7,635,504	
Adjustments for changes in accounting policy	3051								
Adjustment for errors	3052								
Adjusted opening balance (comparative period)	3055	1,270,503	5,793,332	(3,484)	581,311	1,939	(8,097)	7,635,504	
I. Total recognised income/(expense) in the period	3060		12,013		95,921		55,313	163,247	
II. Transactions with shareholders or owners	3065		(992,110)	(32)				(992,142)	
1. Capital increases/ (reductions)	3066								
2. Conversion of financial liabilities into equity	3067								
3. Distribution of dividends	3068		(992,110)					(992,110)	
4. Net trading with treasury stock	3069			(32)				(32)	
5. Increases/ (reductions) for business combinations	3070								
6. Other transactions with shareholders or owners	3072								
III. Other changes in equity	3075		581,311		(581,311)	935		935	
1. Equity-settled share-based payment	3076					935		935	
2. Transfers between equity accounts	3077		581,311		(581,311)				
3. Other changes	3078								
Closing balance at 30/06/2022 (comparative period)	3080	1,270,503	5,394,546	(3,516)	95,921	2,874	47,216	6,807,544	

Comments

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IV. SELECTED FINANCIAL INFORMATION
4. INDIVIDUAL STATEMENT OF CASH FLOWS
(PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units: Thousand euros

			CURRENT PERIOD	PREVIOUS PERIOD
			30/06/2023	30/06/2022
A)	CASH FLOWS FROM OPERATING ACTIVITIES (1 + 2 + 3 + 4)	435	152,054	(62,071)
1.	Profit (loss) before tax	405	154,485	128,855
2.	Adjustments to profit (loss):	410	(352,526)	46,242
(+)	Depreciation and amortisation charge	411	19,664	17,746
(+/-)	Other net adjustments to profit (loss)	412	(372,190)	28,496
3.	Changes in working capital	415	(39,200)	(155,544)
4.	Other cash flows from operating activities:	420	389,295	(81,624)
(-)	Interest paid	421	(189,124)	(65,006)
(+)	Dividends received	422	570,199	
(+)	Interest received	423	30,824	8,072
(+/-)	Income tax recovered/(paid)	430		(36)
(+/-)	Other sums received/(paid) from operating activities	425	(22,604)	(24,654)
B)	CASH FLOWS FROM INVESTING ACTIVITIES (1 + 2)	460	3,139,805	(1,898,204)
1.	Payments for investments:	440	(18,815)	(1,902,865)
(-)	Group companies, associates and business units	441	(15)	(1,884,661)
(-)	Property, plant and equipment, intangible assets and investment property	442	(10,663)	(16,563)
(-)	Other financial assets	443	(8,137)	(1,641)
(-)	Non-current assets and liabilities classified as held-for-sale	459		
(-)	Other assets	444		
2.	Proceeds from sale of investments	450	3,158,620	4,661
(+)	Group companies, associates and business units	451	3,153,588	
(+)	Property, plant and equipment, intangible assets and investment property	452		
(+)	Other financial assets	453	5,032	4,661
(+)	Non-current assets and liabilities classified as held-for-sale	461		
(+)	Other assets	454		
C)	CASH FLOWS FROM FINANCING ACTIVITIES (1 + 2 + 3)	490	(3,297,506)	1,618,997
1.	Sums received/(paid) in respect of equity instruments	470	(27)	(33)
(+)	Issuance	471		
(-)	Redemption	472		
(-)	Acquisition	473	(27)	(33)
(+)	Disposal	474		
(+)	Grants, donations and bequests received	475		
2.	Sums received/(paid) in respect of financial liability instruments:	480	(3,297,479)	2,148,325
(+)	Issuance	481	2,595,440	4,275,352
(-)	Repayment and redemption	482	(5,892,919)	(2,127,027)
3.	Payment of dividends and remuneration on other equity instruments	485		(529,295)
D)	EFFECT OF FOREIGN EXCHANGE RATE CHANGES	492		
E)	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)	495	(5,647)	(341,278)
F)	CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	499	26,147	378,358
G)	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E + F)	500	20,500	37,080

COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

			CURRENT PERIOD	PREVIOUS PERIOD
			30/06/2023	30/06/2022
(+)	Cash on hand and at banks	550	20,500	37,080
(+)	Other financial assets	552		
(-)	Less: Bank overdrafts repayable on demand	553		
	TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	600	20,500	37,080

Comments

IV. SELECTED FINANCIAL INFORMATION

5. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (ADOPTED IFRS) (1/2)

Units: Thousand euros

	ASSETS	CURRENT PERIOD	PREVIOUS PERIOD
		30/06/2023	31/12/2022
A) NON-CURRENT ASSETS	1040	28,761,000	30,142,000
1. Intangible assets:	1030	2,131,000	2,098,000
a) Goodwill	1031	462,000	462,000
b) Other intangible assets	1032	1,669,000	1,636,000
2. Property, plant and equipment	1033	22,416,000	22,338,000
3. Investment property	1034	59,000	59,000
4. Investments accounted for using the equity method	1035	283,000	274,000
5. Non-current financial assets	1036	769,000	1,160,000
a) At fair value through profit or loss	1047	6,000	5,000
Of which, "Designated upon initial recognition"	1041	6,000	5,000
b) At fair value through other comprehensive income	1042		
Of which, "Designated upon initial recognition"	1043		
c) At amortised cost	1044	763,000	1,155,000
6. Non-current derivatives	1039	731,000	1,249,000
a) Hedging	1045	647,000	1,077,000
b) Other	1046	84,000	172,000
7. Deferred tax assets	1037	2,020,000	2,660,000
8. Other non-current assets	1038	352,000	304,000
B) CURRENT ASSETS	1085	14,031,000	19,925,000
1. Non-current assets held for sale	1050	27,000	27,000
2. Inventories	1055	1,230,000	2,122,000
3. Trade and other receivables:	1060	5,326,000	5,687,000
a) Trade receivables	1061	4,009,000	4,447,000
b) Other receivables	1062	969,000	1,191,000
c) Current tax assets	1063	348,000	49,000
4. Current financial assets	1070	5,332,000	8,677,000
a) At fair value through profit or loss	1080		
Of which, "Designated upon initial recognition"	1081		
b) At fair value through other comprehensive income	1082		
Of which, "Designated upon initial recognition"	1083		
c) At amortised cost	1084	5,332,000	8,677,000
5. Current derivatives	1076	1,412,000	2,533,000
a) Hedging	1077	552,000	1,220,000
b) Other	1078	860,000	1,313,000
6. Other current assets	1075	7,000	8,000
7. Cash and cash equivalents	1072	697,000	871,000
TOTAL ASSETS (A + B)	1100	42,792,000	50,067,000

Comments:

With the entry into force on 1 January 2023 of the Amendments to IAS 12 "Income Tax": Deferred Taxes Related to Assets and Liabilities Arising from a Single Transaction, Endesa has recognised "Deferred Tax Assets" and "Deferred Tax Liabilities" corresponding to temporary differences arising in the initial recognition of rights of use assets and lease liabilities associated therewith, amounting to €107 million and €110 million, respectively, as well as the cumulative effect under the heading "Equity" amounting to €3 million, negative so that the Consolidated Statement of Financial Position as of 31/12/2022 does not coincide with that previously presented.

IV. SELECTED FINANCIAL INFORMATION
5. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (ADOPTED IFRS) (2/2)

Units: Thousand euros

EQUITY AND LIABILITIES		CURRENT PERIOD	PREVIOUS PERIOD
		30/06/2023	31/12/2022
A) EQUITY (A.1 + A.2 + A.3)	1195	6,416,000	5,758,000
A.1) CAPITAL AND RESERVES	1180	8,137,000	8,935,000
1. Capital	1171	1,271,000	1,271,000
a) Authorised capital	1161	1,271,000	1,271,000
b) <i>Less: Uncalled capital</i>	1162		
2. Share premium	1172	89,000	89,000
3. Reserves	1173	5,898,000	5,035,000
4. <i>Less: Treasury stock</i>	1174	(5,000)	(5,000)
5. Prior Periods' profit and loss	1178		
6. Other member contributions	1179		
7. Profit (loss) for the period attributable to the parent company	1175	879,000	2,541,000
8. <i>Less: Interim dividend</i>	1176		
9. Other equity instruments	1177	5,000	4,000
A.2) ACCUMULATED OTHER COMPREHENSIVE INCOME	1188	(1,906,000)	(3,378,000)
1. Items that are not reclassified to profit or loss for the period	1186	(190,000)	(190,000)
a) Equity instruments through other comprehensive income	1185		
b) Others	1190	(190,000)	(190,000)
2. Items that may subsequently be reclassified to profit or loss for the period	1187	(1,716,000)	(3,188,000)
a) Hedging transactions	1182	(1,707,000)	(3,176,000)
b) Translation differences	1184	(1,000)	(1,000)
c) Share in other comprehensive income for investments in joint ventures and others	1192	(8,000)	(11,000)
d) Debt instruments at fair value through other comprehensive income	1191		
e) Others	1183		
EQUITY ATTRIBUTABLE TO THE PARENT COMPANY (A.1 + A.2)	1189	6,231,000	5,557,000
A.3) NON-CONTROLLING INTERESTS	1193	185,000	201,000
B) NON-CURRENT LIABILITIES	1120	23,331,000	23,627,000
1. Grants	1117	233,000	238,000
2. Long-term provisions	1115	2,716,000	2,964,000
3. Long-term financial liabilities:	1116	13,151,000	11,704,000
a) Debt with financial institutions and bonds and other marketable securities	1131	5,865,000	5,819,000
b) Other financial liabilities	1132	7,286,000	5,885,000
4. Deferred tax liabilities	1118	1,255,000	1,425,000
5. Non-current derivatives	1140	1,112,000	2,408,000
a) Hedging	1141	885,000	2,092,000
b) Other	1142	227,000	316,000
6. Other non-current liabilities	1135	4,864,000	4,888,000
C) CURRENT LIABILITIES	1130	13,045,000	20,682,000
1. Liabilities associated with non-current assets held for sale	1121		
2. Short-term provisions	1122	769,000	1,236,000
3. Short-term financial liabilities:	1123	1,314,000	6,784,000
a) Debt with financial institutions and bonds and other marketable securities	1133	595,000	5,969,000
b) Other financial liabilities	1134	719,000	815,000
4. Trade and other payables:	1124	7,685,000	7,327,000
a) Suppliers	1125	3,696,000	4,794,000
b) Other payables	1126	2,998,000	1,989,000
c) Current tax liabilities	1127	991,000	544,000
5. Current derivatives	1145	2,881,000	4,990,000
a) Hedging	1146	1,473,000	2,434,000
b) Other	1147	1,408,000	2,556,000
6. Other current liabilities	1136	396,000	345,000
TOTAL EQUITY AND LIABILITIES (A + B + C)	1200	42,792,000	50,067,000

Comments:

With the entry into force on 1 January 2023 of the Amendments to IAS 12 "Income Tax": Deferred Taxes Related to Assets and Liabilities Arising from a Single Transaction, Endesa has recognised "Deferred Tax Assets" and "Deferred Tax Liabilities" corresponding to temporary differences arising in the initial recognition of rights of use assets and lease liabilities associated therewith, amounting to €107 million and €110 million, respectively, as well as the cumulative effect under the heading "Equity" amounting to €3 million, negative so that the Consolidated Statement of Financial Position as of 31/12/2022 does not coincide with that previously presented.

IV. SELECTED FINANCIAL INFORMATION
6. CONSOLIDATED PROFIT AND LOSS STATEMENT (ADOPTED IFRS)

Units: Thousand euros

			PRESENT CURR.	PREVIOUS CURR.	CURRENT	PREVIOUS
			PERIOD	PERIOD	CUMULATIVE	CUMULATIVE
			(2nd HALF YEAR)	(2nd HALF YEAR)	30/06/2023	30/06/2022
(+)	Revenue	1205			12,895,000	14,702,000
(+/-)	Change in inventories of finished products and work in progress	1206				
(+)	Own work capitalised	1207			147,000	134,000
(-)	Supplies	1208			(8,057,000)	(10,956,000)
(+)	Other operating revenue	1209			131,000	57,000
(-)	Personnel expenses	1217			(520,000)	(499,000)
(-)	Other operating expenses	1210			(813,000)	(741,000)
(-)	Depreciation and amortisation charge	1211			(852,000)	(788,000)
(+)	Allocation of grants for non-financial assets and other grants	1212			95,000	92,000
(+/-)	Impairment of non-current assets	1214			(1,000)	(3,000)
(+/-)	Gain (loss) on disposal of non-current assets	1216			2,000	2,000
(+/-)	Other profit (loss)	1215			(1,506,000)	(684,000)
=	OPERATING PROFIT (LOSS)	1245			1,521,000	1,316,000
(+)	Finance income	1250			25,000	125,000
	a) Interest income calculated using the effective interest rate method	1262			4,000	
	b) Other	1263			21,000	125,000
(-)	Finance costs	1251			(298,000)	(97,000)
(+/-)	Changes in fair value of financial instruments	1252			3,000	(39,000)
(+/-)	Gain (loss) from reclassification of financial assets at amortised cost to financial assets at fair value	1258				
(+/-)	Gain (loss) from reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value	1259				
(+/-)	Exchange differences	1254			20,000	(28,000)
(+/-)	Impairment loss/reversal on financial instruments	1255			2,000	(3,000)
(+/-)	Gain (loss) on disposal of financial instruments	1257			(22,000)	(14,000)
	a) Financial instruments at amortised cost	1260			(22,000)	(14,000)
	b) Other financial instruments	1261				
=	NET FINANCE INCOME (COSTS)	1256			(270,000)	(56,000)
(+/-)	Profit (loss) of equity-accounted investees	1253			10,000	13,000
=	PROFIT (LOSS) BEFORE TAX	1265			1,261,000	1,273,000
(+/-)	Income tax expense	1270			(372,000)	(321,000)
=	PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING ACTIVITIES	1280			889,000	952,000
(+/-)	Profit (loss) for the period from discontinued operations, net of tax	1285				
=	CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	1288			889,000	952,000
	A) Profit (loss) for the period attributable to the parent company	1300			879,000	916,000
	B) Profit (loss) attributable to non-controlling interests	1289			10,000	36,000

	EARNINGS PER SHARE		Amount	Amount	Amount	Amount
			(X.XX euros)	(X.XX euros)	(X.XX euros)	(X.XX euros)
	Basic	1290			0.83	0.87
	Diluted	1295			0.83	0.87

Comments

IV. SELECTED FINANCIAL INFORMATION
7. CONSOLIDATED OTHER COMPREHENSIVE INCOME (IFRS ADOPTED)

Units: Thousand euros

		PRESENT CURR.	PREVIOUS CURR.	CURRENT	PREVIOUS
		PERIOD (2nd HALF YEAR)	PERIOD (2nd HALF YEAR)	PERIOD 30/06/2023	PERIOD 30/06/2022
A) CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD (from the profit and loss statement)	1305			889,000	952,000
B) OTHER COMPREHENSIVE INCOME – ITEMS THAT ARE NOT RECLASSIFIED TO PROFIT OR LOSS:	1310				219,000
1. From revaluation/(reversal of revaluation) of property, plant and equipment and intangible assets	1311				
2. From actuarial gains and losses	1344				274,000
3. Share in other comprehensive income of investments in joint ventures and associates	1342				
4. Equity instruments through other comprehensive income	1346				
5. Other income and expenses that are not reclassified to profit or loss	1343				
6. Tax effect	1345				(55,000)
C) OTHER COMPREHENSIVE INCOME – ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS:	1350			1,472,000	(1,403,000)
1. Hedging transactions:	1360			1,959,000	(1,892,000)
a) Valuation gains/(losses)	1361			998,000	(2,238,000)
b) Amounts transferred to profit or loss	1362			961,000	346,000
c) Amounts transferred to initial carrying amount of hedged items	1363				
d) Other reclassifications	1364				
2. Translation differences:	1365				(1,000)
a) Valuation gains/(losses)	1366				(1,000)
b) Amounts transferred to profit or loss	1367				
c) Other reclassifications	1368				
3. Share in other comprehensive income of investments in joint ventures and associates:	1370			3,000	17,000
a) Valuation gains/(losses)	1371			3,000	17,000
b) Amounts transferred to profit or loss	1372				
c) Other reclassifications	1373				
4. Debt instruments at fair value through other comprehensive income:	1381				
a) Valuation gains/(losses)	1382				
b) Amounts transferred to profit or loss	1383				
c) Other reclassifications	1384				
5. Other income and expenses that may subsequently be reclassified to profit or loss:	1375				
a) Valuation gains/(losses)	1376				
b) Amounts transferred to profit or loss	1377				
c) Other reclassifications	1378				
6. Tax effect	1380			(490,000)	473,000
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A + B + C)	1400			2,361,000	(232,000)
a) Attributable to the parent company	1398			2,351,000	(268,000)
b) Attributable to non-controlling interests	1399			10,000	36,000

Comments

IV. SELECTED FINANCIAL INFORMATION

8. CONSOLIDATED STATEMENT OF TOTAL CHANGES IN EQUITY (ADOPTED IFRS) (1/2)

Units: Thousand euros

CURRENT PERIOD		Equity attributable to the parent company						Non-controlling interests	Total Equity
		Capital and Reserves					Valuation adjustments		
		Capital	Share premium and Reserves	Treasury stock	Profit (loss) for the period attributable to the parent company	Other equity instruments			
Opening balance at 01/01/2023	3110	1,271,000	4,934,000	(5,000)	2,541,000	4,000	(3,188,000)	201,000	5,758,000
Adjustments for changes in accounting policy	3111								
Adjustment for errors	3112								
Adjusted opening balance	3115	1,271,000	4,934,000	(5,000)	2,541,000	4,000	(3,188,000)	201,000	5,758,000
I. Total comprehensive income/(expense) for the period	3120				879,000		1,472,000	10,000	2,361,000
II. Transactions with shareholders or owners	3125		(1,678,000)					(26,000)	(1,704,000)
1. Capital increases/(reductions)	3126								
2. Conversion of financial liabilities into equity	3127								
3. Distribution of dividends	3128		(1,678,000)					(26,000)	(1,704,000)
4. Net trading with treasury stock	3129								
5. Increase/(decrease) for business combinations	3130								
6. Other transactions with shareholders or owners	3132								
III. Other changes in equity	3135		2,541,000		(2,541,000)	1,000			1,000
1. Equity-settled share-based payment	3136					1,000			1,000
2. Transfers between equity accounts	3137		2,541,000		(2,541,000)				
3. Other changes	3138								
Closing balance at 30/06/2023	3140	1,271,000	5,797,000	(5,000)	879,000	5,000	(1,716,000)	185,000	6,416,000

Comments

With the entry into force on 1 January 2023 of the Amendments to IAS 12 "Income Tax": Deferred Taxes Related to Assets and Liabilities Arising from a Single Transaction, Endesa has recognised "Deferred Tax Assets" and "Deferred Tax Liabilities" corresponding to temporary differences arising in the initial recognition of rights of use assets and lease liabilities associated therewith, amounting to €107 million and €110 million, respectively, as well as the cumulative effect under the heading "Equity" amounting to €3 million, negative so that the Consolidated Statement of Financial Position as of 31/12/2022 does not coincide with that previously presented.

IV. SELECTED FINANCIAL INFORMATION

8. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ADOPTED IFRS) (2/2)

Units: Thousand euros

PREVIOUS PERIOD		Equity attributable to the parent company					Valuation adjustments	Non-controlling interests	Total equity
		Capital and Reserves							
		Capital	Share premium and Reserves	Treasury stock	Profit (loss) for the period attributable to the parent company	Other equity instruments			
Opening balance at 01/01/2022 (comparative period)	3150	1,271,000	4,232,000	(3,000)	1,435,000	2,000	(1,557,000)	164,000	5,544,000
Adjustments for changes in accounting policy	3151		(2,000)						(2,000)
Adjustment for errors	3152								
Adjusted opening balance (comparative period)	3155	1,271,000	4,230,000	(3,000)	1,435,000	2,000	(1,557,000)	164,000	5,542,000
I. Total comprehensive income/(expense) for the period	3160		219,000		916,000		(1,403,000)	36,000	(232,000)
II. Transactions with shareholders or owners	3165		(996,000)	(1,000)				(15,000)	(1,012,000)
1. Capital increases/ (reductions)	3166							(3,000)	(3,000)
2. Conversion of financial liabilities into equity	3167								
3. Distribution of dividends	3168		(992,000)					(9,000)	(1,001,000)
4. Net trading with treasury stock	3169			(1,000)					(1,000)
5. Increase/ (decrease) for business combinations	3170		(4,000)					(3,000)	(7,000)
6. Other transactions with shareholders or owners	3172								
III. Other changes in equity	3175		1,435,000		(1,435,000)	1,000			1,000
1. Equity-settled share-based payment	3176					1,000			1,000
2. Transfers between equity accounts	3177		1,435,000		(1,435,000)				
3. Other changes	3178								
Closing balance at 30/06/2022 (comparative period)	3180	1,271,000	4,888,000	(4,000)	916,000	3,000	(2,960,000)	185,000	4,299,000

Comments

SELECTED FINANCIAL INFORMATION

ENDESA, S.A.

1 HALF-YEAR OF 2023

IV. SELECTED FINANCIAL INFORMATION
9.A. CONSOLIDATED STATEMENT OF CASH FLOWS (INDIRECT METHOD) (ADOPTED IFRS)

Units: Thousand euros

			CURRENT PERIOD	PREVIOUS PERIOD
			30/06/2023	30/06/2022
A)	CASH FLOWS FROM OPERATING ACTIVITIES (1 + 2 + 3 + 4)	1435	1,615,000	(169,000)
1.	Profit (loss) before tax	1405	1,261,000	1,273,000
2.	Adjustments to profit (loss):	1410	1,659,000	908,000
(+)	Depreciation and amortisation charge	1411	955,000	872,000
(+/-)	Other net adjustments to profit (loss)	1412	704,000	36,000
3.	Changes in working capital	1415	(706,000)	(2,048,000)
4.	Other cash flows from operating activities:	1420	(599,000)	(302,000)
(-)	Interest paid	1421	(217,000)	(81,000)
(-)	Payment of dividends and remuneration on other equity instruments	1430		
(+)	Dividends received	1422	17,000	18,000
(+)	Interest received	1423	23,000	33,000
(+/-)	Income tax recovered/(paid)	1424	(244,000)	(53,000)
(+/-)	Other sums received/(paid) from operating activities	1425	(178,000)	(219,000)
B)	CASH FLOWS FROM INVESTING ACTIVITIES (1 + 2 + 3)	1460	2,312,000	(3,724,000)
1.	Payments for investments:	1440	(1,303,000)	(3,904,000)
(-)	Group companies, associates and business units	1441		
(-)	Property, plant and equipment, intangible assets and investment property	1442	(1,116,000)	(944,000)
(-)	Other financial assets	1443	(187,000)	(2,960,000)
(-)	Non-current assets and liabilities classified as held-for-sale	1459		
(-)	Other assets	1444		
2.	Proceeds from sale of investments	1450	3,576,000	140,000
(+)	Group companies, associates and business units	1451		136,000
(+)	Property, plant and equipment, intangible assets and investment property	1452	3,000	4,000
(+)	Other financial assets	1453	3,573,000	
(+)	Non-current assets and liabilities classified as held-for-sale	1461		
(+)	Other assets	1454		
3.	Other cash flows from investing activities	1455	39,000	40,000
(+)	Dividends received	1456		
(+)	Interest received	1457		
(+/-)	Other sums received/(paid) from investing activities	1458	39,000	40,000
C)	CASH FLOWS FROM FINANCING ACTIVITIES (1 + 2 + 3 + 4)	1490	(4,101,000)	3,389,000
1.	Sums received/(paid) in respect of equity instruments	1470	(13,000)	(17,000)
(+)	Issuance	1471		
(-)	Redemption	1472		
(-)	Acquisition	1473	(13,000)	(17,000)
(+)	Disposal	1474		
2.	Sums received/(paid) in respect of financial liability instruments:	1480	(4,064,000)	3,942,000
(+)	Issuance	1481	10,953,000	15,260,000
(-)	Repayment and redemption	1482	(15,017,000)	(11,318,000)
3.	Payment of dividends and remuneration on other equity instruments	1485	(24,000)	(536,000)
4.	Other cash flows from financing activities	1486		
(-)	Interest paid	1487		
(+/-)	Other sums received/(paid) from financing activities	1488		
D)	EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE	1492		
E)	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)	1495	(174,000)	(504,000)
F)	CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	1499	871,000	703,000
G)	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E + F)	1500	697,000	199,000

COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

			CURRENT PERIOD	PREVIOUS PERIOD
			30/06/2023	30/06/2022
(+)	Cash on hand and at banks	1550	697,000	199,000
(+)	Other financial assets	1552		
(-)	Less: Bank overdrafts repayable on demand	1553		
	TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1600	697,000	199,000

IV. SELECTED FINANCIAL INFORMATION

10. DIVIDENDS PAID

		CURRENT PERIOD			PREVIOUS PERIOD		
		Euros / share (X.XX)	Amount (thousand euros)	No. of shares to be delivered	Euros / share (X.XX)	Amount (thousand euros)	No. of shares to be delivered
Ordinary shares	2158				0.50	529,295	
Other shares (non-voting shares, redeemable shares, etc.)	2159						
Total dividends paid	2160				0.50	529,295	
a) Dividends charged to profit and loss	2155				0.50	529,295	
b) Dividends charged to reserves or share premium	2156						
c) Dividends in kind	2157						
d) Flexible payment	2154						

IV. SELECTED FINANCIAL INFORMATION
11. SEGMENT INFORMATION

Units: Thousand euros

GEOGRAPHIC AREA		Distribution of revenue by geographic area			
		INDIVIDUAL		CONSOLIDATED	
		CURRENT	PREVIOUS	CURRENT	PREVIOUS
		PERIOD	PERIOD	PERIOD	PERIOD
Spanish market	2210	723,037	132,224	10,637,000	12,983,000
International market	2215	789	1,443	2,258,000	1,719,000
a) European Union	2216	644	1,305	1,896,000	1,691,000
a.1) Euro Area	2217	644	1,350	1,895,000	1,691,000
a.2) Non-Euro Area	2218		(45)	1,000	
b) Other	2219	145	138	362,000	28,000
TOTAL	2220	723,826	133,667	12,895,000	14,702,000

Comments:

SEGMENTS		CONSOLIDATED			
		Ordinary revenue		Profit (loss)	
		CURRENT	PREVIOUS	CURRENT	PREVIOUS
		PERIOD	PERIOD	PERIOD	PERIOD
Generation and Supply	2221	11,952,000	13,719,000	825,000	439,000
Distribution	2222	1,261,000	1,222,000	397,000	407,000
Structure and Services	2223	233,000	217,000	207,000	106,000
	2224				
	2225				
	2226				
	2227				
	2228				
	2229				
(-) Adjustments and elimination of ordinary revenue between segments	2230	(325,000)	(307,000)	(540,000)	
TOTAL of reportable segments	2235	13,121,000	14,851,000	889,000	952,000

Comments:

IV. SELECTED FINANCIAL INFORMATION

12. AVERAGE WORKFORCE

		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
AVERAGE WORKFORCE	2295	1,246	1,244	9,099	9,164
Men	2296	612	615	6,702	6,808
Women	2297	634	629	2,397	2,356

IV. SELECTED FINANCIAL INFORMATION

13. REMUNERATION RECEIVED BY DIRECTORS AND MANAGERS

DIRECTORS:	Item of remuneration:		Amount (thousand euros)	
			CURRENT PERIOD	PREVIOUS PERIOD
	Remuneration for membership on the board and/or board committees	2310	1,063	1,053
	Salaries	2311	500	480
	Variable remuneration in cash	2312	400	413
	Share-based remuneration systems	2313	142	130
	Termination benefits	2314		
	Long-term savings systems	2315	7	6
	Other items	2316	119	123
	TOTAL	2320	2,231	2,205

MANAGERS:	Total remuneration paid to managers		Amount (thousand euros)	
			CURRENT PERIOD	PREVIOUS PERIOD
		2325	5,407	5,065

IV. SELECTED FINANCIAL INFORMATION

14. RELATED-PARTY TRANSACTIONS AND BALANCES (1/2)

Units: Thousand euros

EXPENSES AND REVENUE		CURRENT PERIOD				Total
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	
1) Finance costs	2340	92,000				92,000
2) Leases	2343					
3) Services received	2344	23,000				23,000
4) Purchase of inventories	2345	81,000				81,000
5) Other expenses	2348	969,000				969,000
TOTAL EXPENSES (1 + 2 + 3 + 4 + 5)	2350	1,165,000				1,165,000
6) Finance income	2351	2,000				2,000
7) Dividends received	2354					
8) Services rendered	2356	2,000				2,000
9) Sale of inventories	2357	134,000				134,000
10) Other income	2359	565,000				565,000
TOTAL REVENUE (6 + 7 + 8 + 9 + 10)	2360	703,000				703,000

OTHER TRANSACTIONS:		CURRENT PERIOD				Total
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	
Financing agreements: loans and capital contributions (lender)	2372		1,000			1,000
Financing agreements: loans and capital contributions (borrower)	2375	10,165,000				10,165,000
Guarantees and collateral given	2381		7,000			7,000
Guarantees and collateral received	2382	125,000				125,000
Commitments assumed	2383	84,000				84,000
Dividends and other earnings distributed	2386					
Other transactions	2385	14,000			45,000	59,000

BALANCES ON THE REPORTING DATE:		CURRENT PERIOD				Total
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	
1) Trade receivables	2341	345,000				345,000
2) Loans and credit given	2342		1,000			1,000
3) Other receivables	2346	351,000				351,000
TOTAL RECEIVABLES (1 + 2 + 3)	2347	696,000	1,000			697,000
4) Trade payables	2352	1,610,000				1,610,000
5) Loans and credit received	2353	6,634,000				6,634,000
6) Other payment obligations	2355	821,000				821,000
TOTAL PAYABLES (4 + 5 + 6)	2358	9,065,000				9,065,000

IV. SELECTED FINANCIAL INFORMATION
14. RELATED-PARTY TRANSACTIONS AND BALANCES (2/2)

Units: Thousand euros

EXPENSES AND REVENUE		PREVIOUS PERIOD				Total
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	
1) Finance costs	6340	59,000				59,000
2) Leases	6343					
3) Services received	6344	25,000				25,000
4) Purchase of inventories	6345	25,000				25,000
5) Other expenses	6348	2,059,000				2,059,000
TOTAL EXPENSES (1 + 2 + 3 + 4 + 5)	6350	2,168,000				2,168,000
6) Finance income	6351	13,000				13,000
7) Dividends received	6354					
8) Services rendered	6356	4,000				4,000
9) Sale of inventories	6357	31,000				31,000
10) Other income	6359	866,000				866,000
TOTAL REVENUE (6 + 7 + 8 + 9 + 10)	6360	914,000				914,000

OTHER TRANSACTIONS:		PREVIOUS PERIOD				Total
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	
Financing agreements: loans and capital contributions (lender)	6372		1,000			1,000
Financing agreements: loans and capital contributions (borrower)	6375	7,050,000				7,050,000
Guarantees and collateral given	6381		7,000			7,000
Guarantees and collateral received	6382	131,000				131,000
Commitments assumed	6383	67,000				67,000
Dividends and other earnings distributed	6386	371,000				371,000
Other transactions	6385	147,000			39,000	186,000

BALANCES ON THE REPORTING DATE:		PREVIOUS PERIOD				Total
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	
1) Trade receivables	6341	1,297,000				1,297,000
2) Loans and credit given	6342	1,000	1,000			2,000
3) Other receivables	6346	89,000				89,000
TOTAL RECEIVABLES (1+2+3)	6347	1,387,000	1,000			1,388,000
4) Trade payables	6352	1,672,000				1,672,000
5) Loans and credit received	6353	5,613,000				5,613,000
6) Other payment obligations	6355	408,000				408,000
TOTAL PAYABLES (4+5+6)	6358	7,693,000				7,693,000