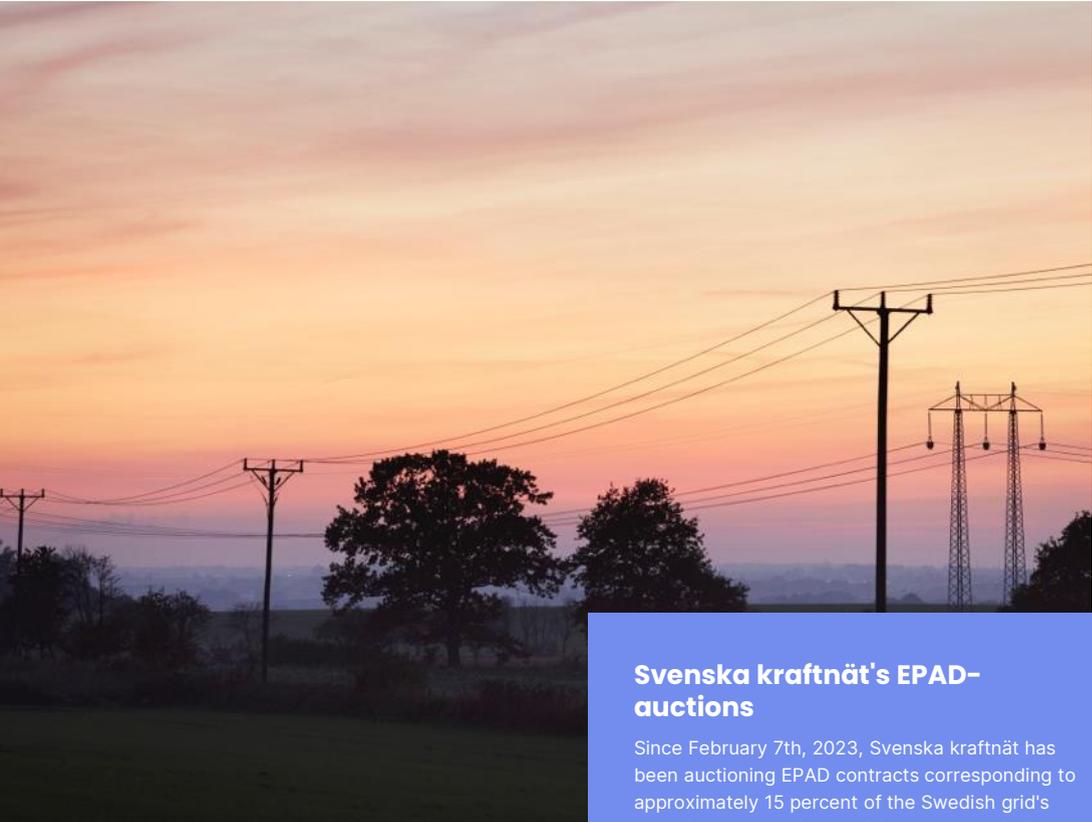


SVENSKA KRAFTNÄT

Quarterly Summary

- Svenska kraftnät's auctioning of EPADs for improved hedging opportunities

Fourth quarter 2024



Svenska kraftnät's EPAD-auctions

Since February 7th, 2023, Svenska kraftnät has been auctioning EPAD contracts corresponding to approximately 15 percent of the Swedish grid's capacity to transmit electricity between bidding zones SE2 and SE3 and between SE3 and SE4.

QUARTERLY SUMMARY, Q4 2024

About the auctions

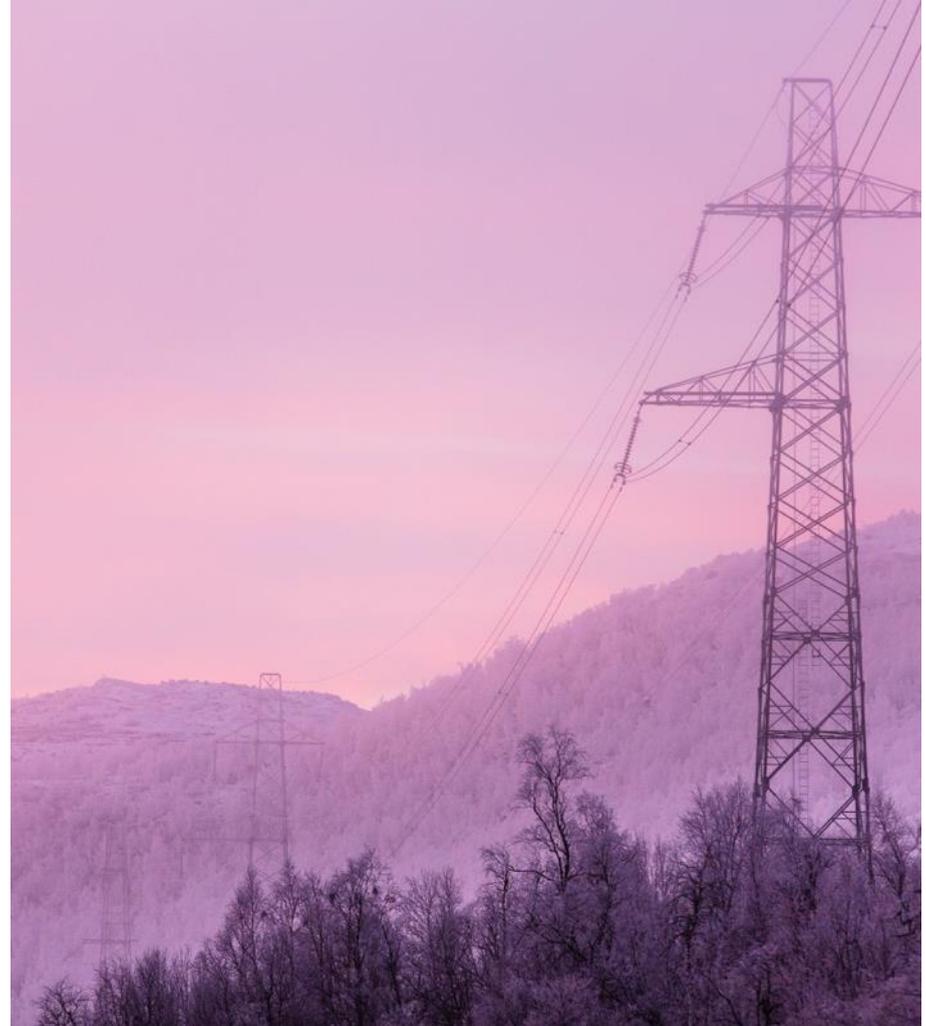
- Svenska kraftnät is conducting regular auctions of EPAD contracts for the bidding zones SE2, SE3 and SE4.
- The aim is to contribute to improved hedging opportunities for market participants.
- In total, six auctions were conducted during the fourth quarter with the first auction being held on October 8th.

Large price movements and high turnover in SE3

The quarter was marked by the introduction of the flow-based capacity calculation method, which resulted in unexpected outcomes and large price movements.

Turnover in continuous trading increased significantly during the quarter.

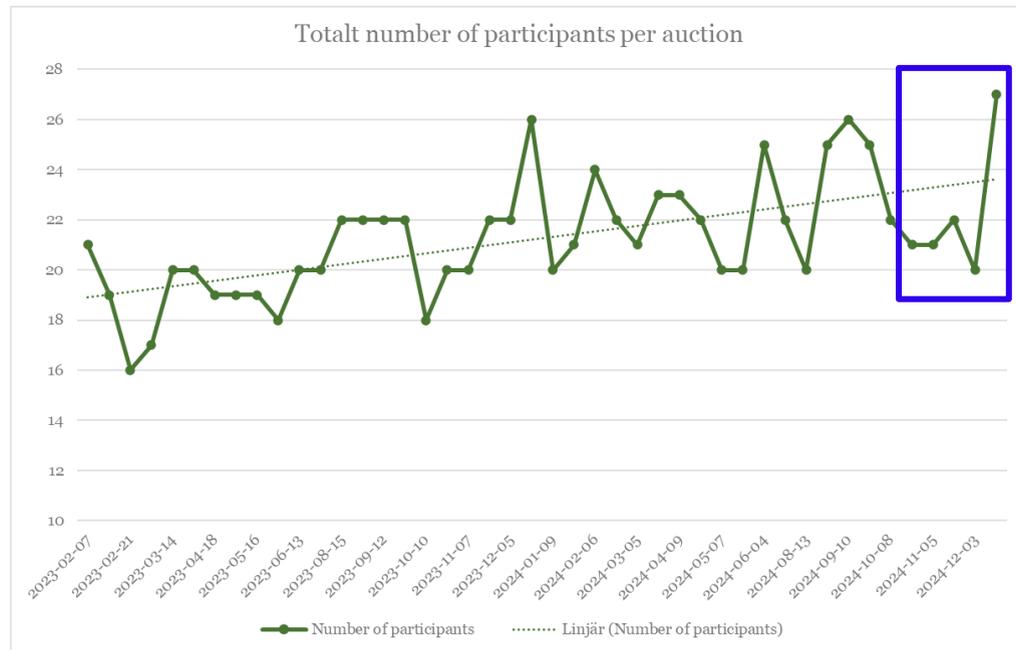
Auctions were characterized by continued good price formation and high participation.



Auction participation

Continued high participation

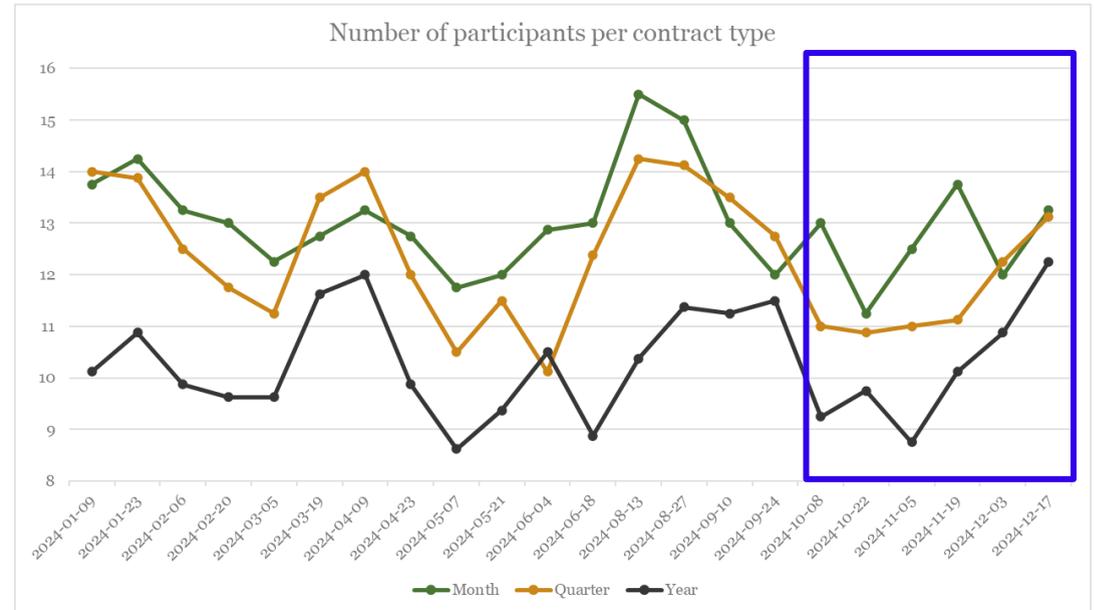
- Auction participation continues to show a clear positive trend.
- On average 22 participants took part in each auction during the fourth quarter.
- The last auction of the year on December 17th reached an all time peak with 27 participants.



Total number of participants per auction event (February 2023 - December 2024).

Participation by type of contract

- Monthly contracts continue to show the highest level of participation.
- Demand for annual contracts increased during the quarter.



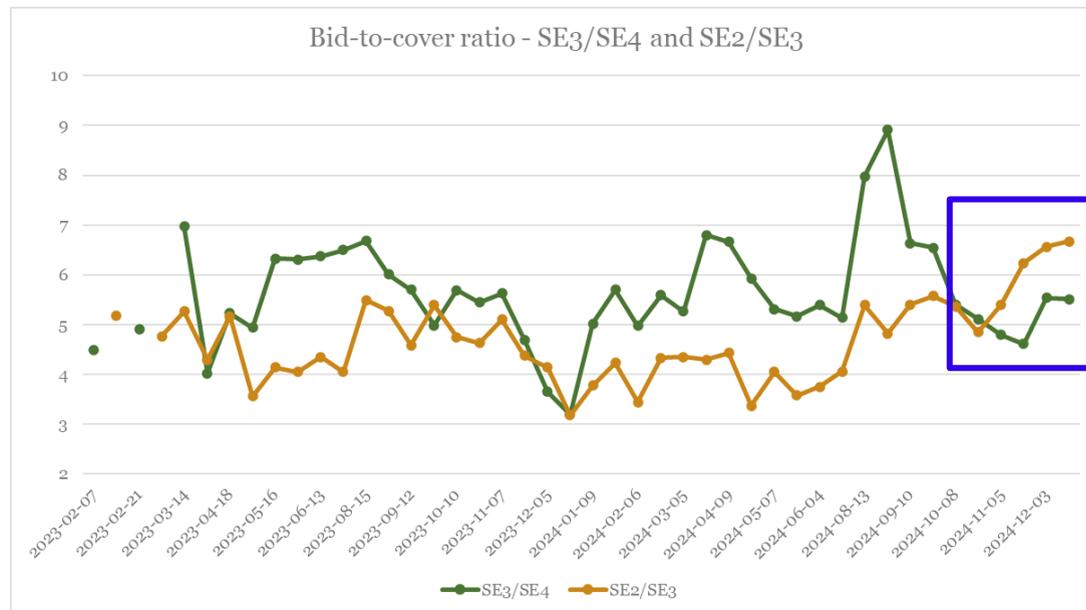
Average number of auction participants during 2024 broken down into monthly, quarterly and calendar year contracts.

Price formation

Bid-to-cover ratio

- The bid-to-cover ratios for bidding zone border SE2/SE3 exceeded bidding zone border SE3/SE4 and reached its highest level in the last auction of the year on December 17th.
- The bid-to-cover ratio presented is not calculated or based on the total order volume, instead it is adjusted for the auction conditions.*

*<https://www.svk.se/press-och-nyheter/nyheter/elmarknad-allmant/2024/svenska-kraftnat-publicerar-helarsuppfoljning-av-epad-auktioner>

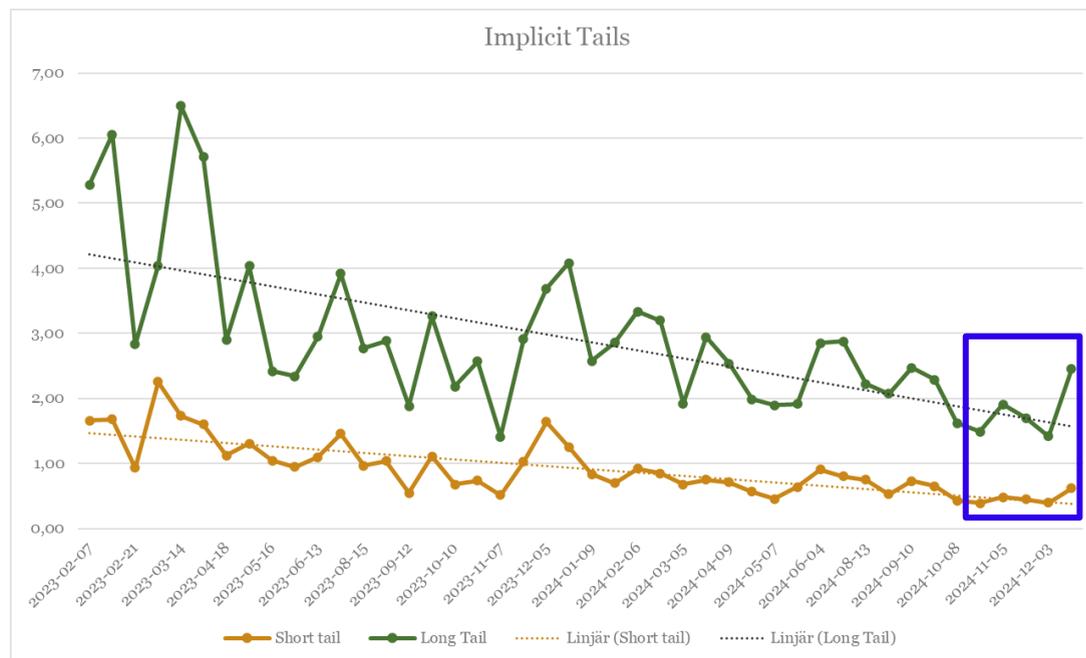


The bid-to-cover ratio at each auction (the dots on the lines) for the electricity area boundaries SE2/SE3 and SE3/SE4, for which the allocation conditions apply during February 2023 – December 2024.

Implicit tails

- The tails serve as a measure of price formation, where a shorter tail indicates a better auction.
- The quarter was characterized by continued satisfactory price formation.
- Read more about tails in the full-year report.*

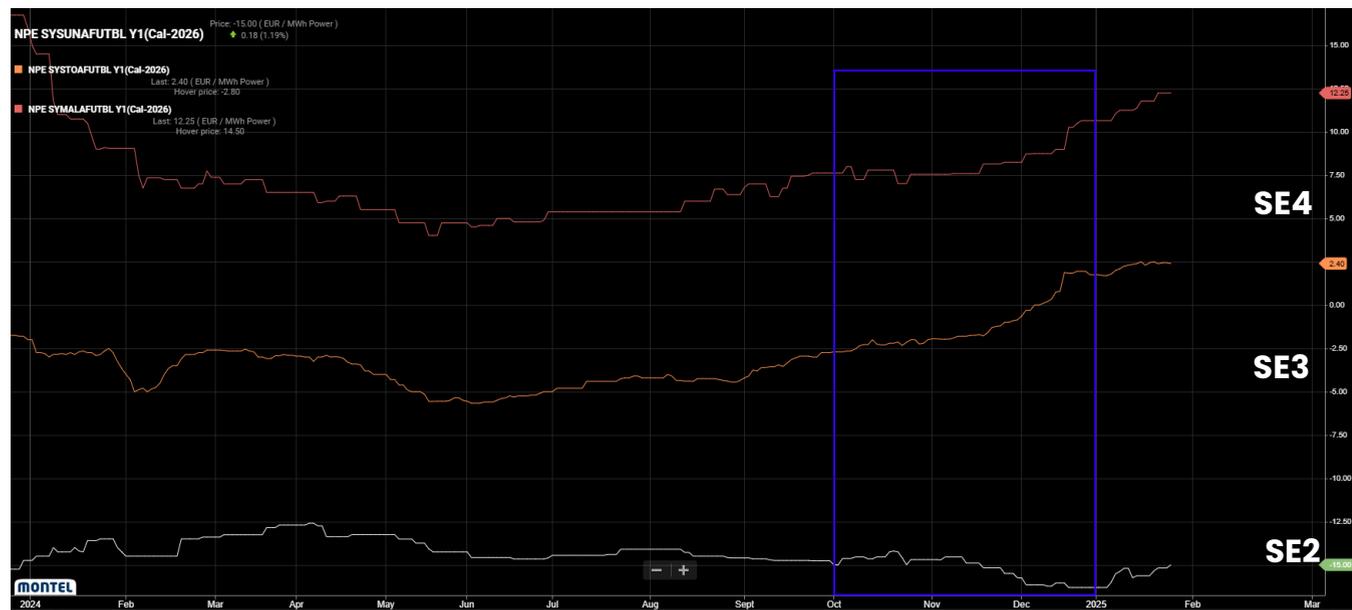
*<https://www.svk.se/en/about-us/news/news/svenska-kraftnat-publishes-full-year-follow-up-of-epad-auctions/>



Average implicit short and long tails at each auction. The trend lines for short and long tails (dotted lines) in the figure show the overall trends in tails during February 2023 - December 2024 expressed in EUR.

Market trends for EPADs (YR-26)

- Large price movements in connection with the introduction of the flow-based capacity calculation method on October 29th dominated the price development also for the annual contracts.
- *Source: Montel*

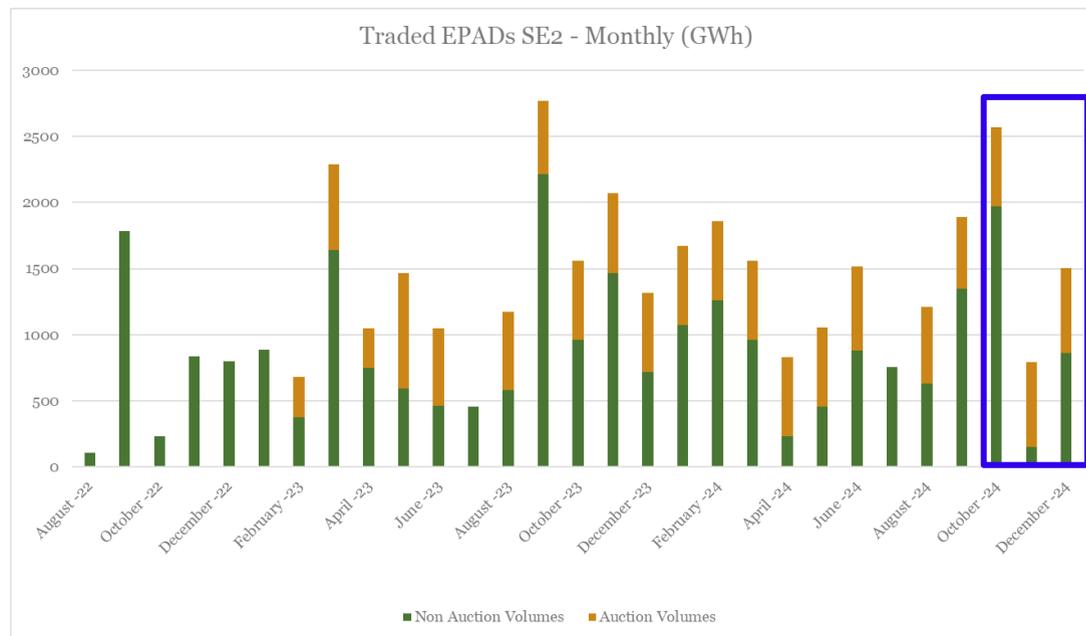


Price differentials between closing quotations for SE2, SE3 and SE4 (October 2023 - December 2024).

Activity and trading in the continuous EPAD market

Turnover SE2 (Sundsvall)

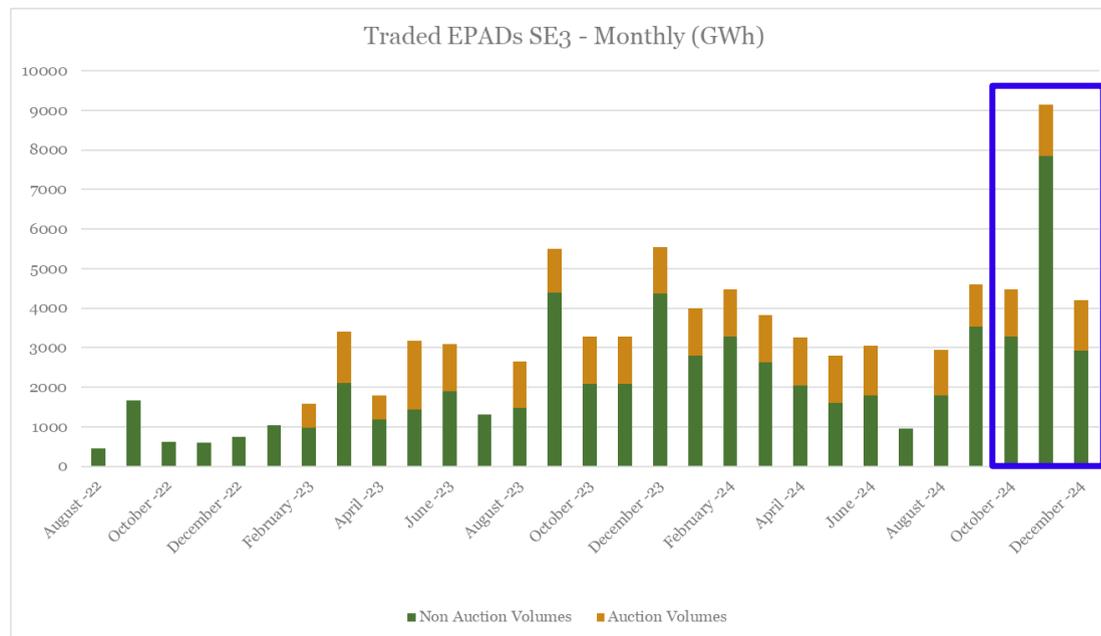
- Continuous trading increased in October and then decreased in November.
- Auction volumes as a share of total turnover increased in the fourth quarter to around 39% (29% in Q3 2024) primarily as a result of low continuous trading in November.



Turnover (GWh) of EPADs for SE2 per month (August 2022 - December 2024).

Turnover SE3 (Stockholm)

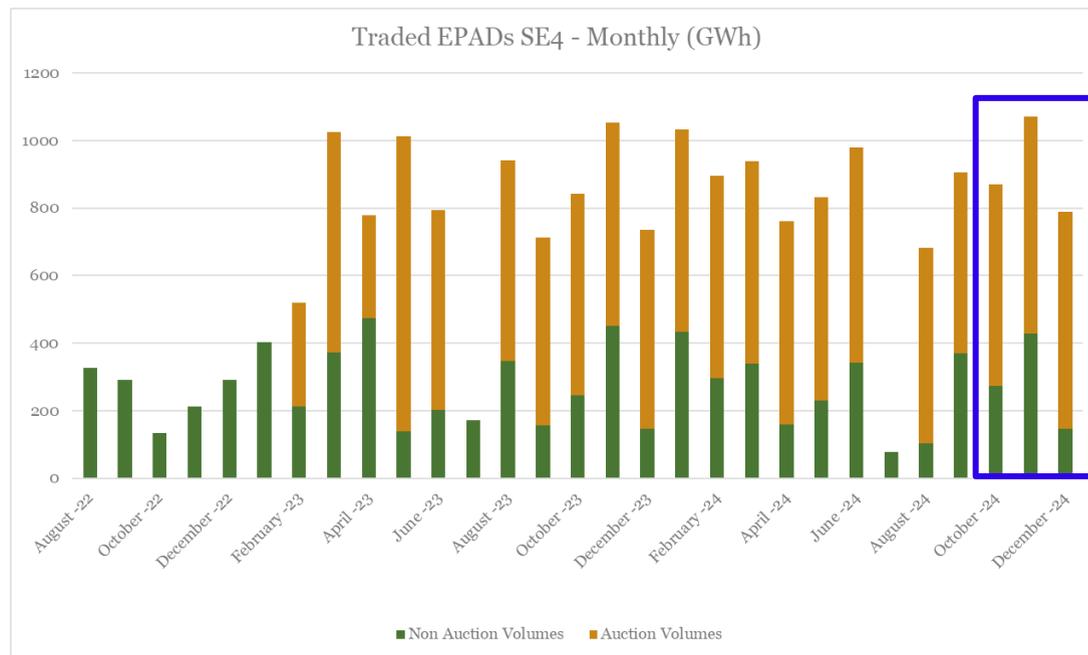
- Continuous trading more than doubled in the fourth quarter compared to the previous quarter.
- Auction volume as a share of total turnover continued to decline in the fourth quarter to around 21% (26% in Q3 2024).



Monthly turnover (GWh) of EPADs for SE3 (August 2022 – December 2024).

Turnover SE4 (Malmö)

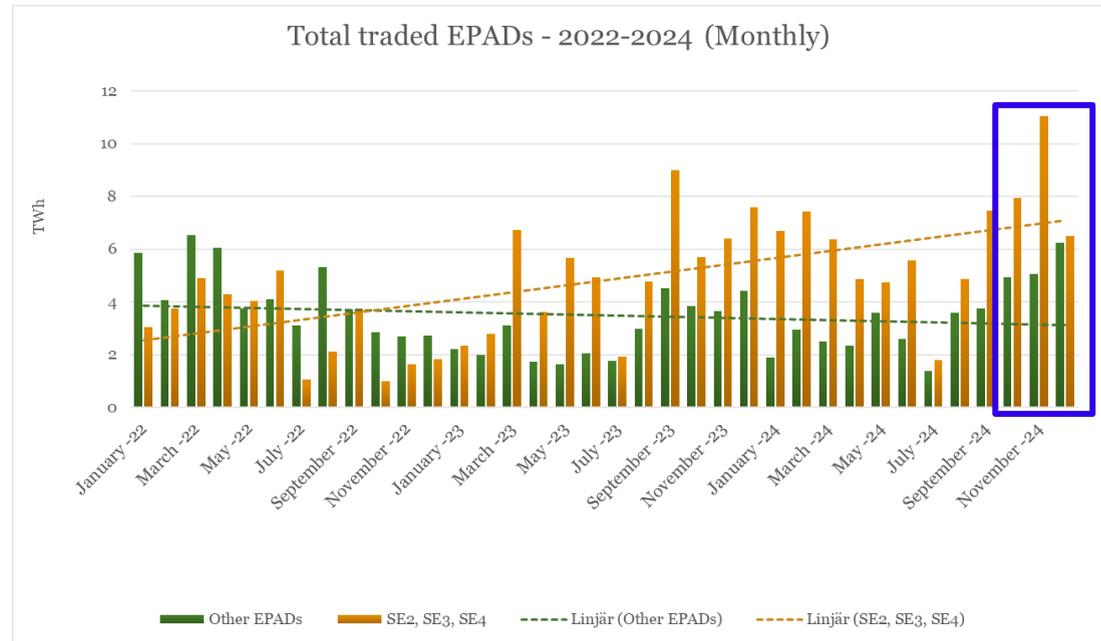
- Continuous trading increased in the fourth quarter by around 50% compared to the previous quarter.
- Auction volume as a share of total turnover increased in the fourth quarter to around 69% (67% in Q3 2024).



Monthly turnover (GWh) of EPADs for SE4 (August 2022 - December 2024).

Total trading for SE2, SE3 and SE4 EPADs compared to other EPAD contracts

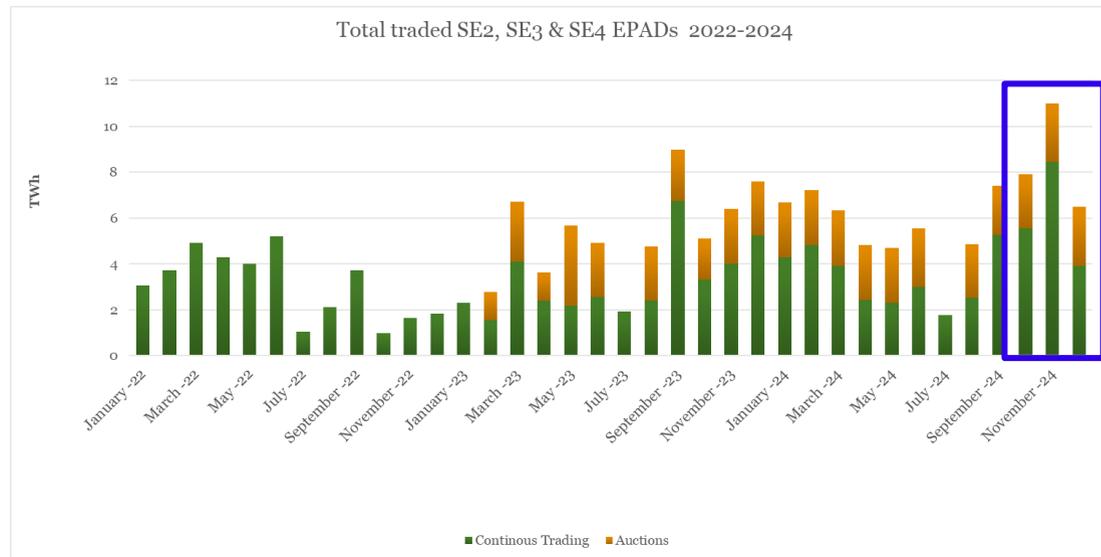
- The EPADs covered by Svenska kraftnät's auctions accounted for 61% of total EPAD turnover in the fourth quarter. This is marginally lower than in the previous quarter.



Total turnover (TWh) for SE2, SE3 and SE4 compared to other EPAD contracts (January 2022 - December 2024).

Total turnover of SE2, SE3 and SE4

- Continuous trading recovered in the fourth quarter. In November it accounted for around 8.4 TWh.
- Auction volumes accounted for around 30% of total turnover in the fourth quarter. The corresponding figure for the period February 2023-December 2024 was 36%.



Total turnover (TWh) of EPADs (SE2, SE3 and SE4) in continuous trading and in auction volumes respectively (January 2022 - December 2024).