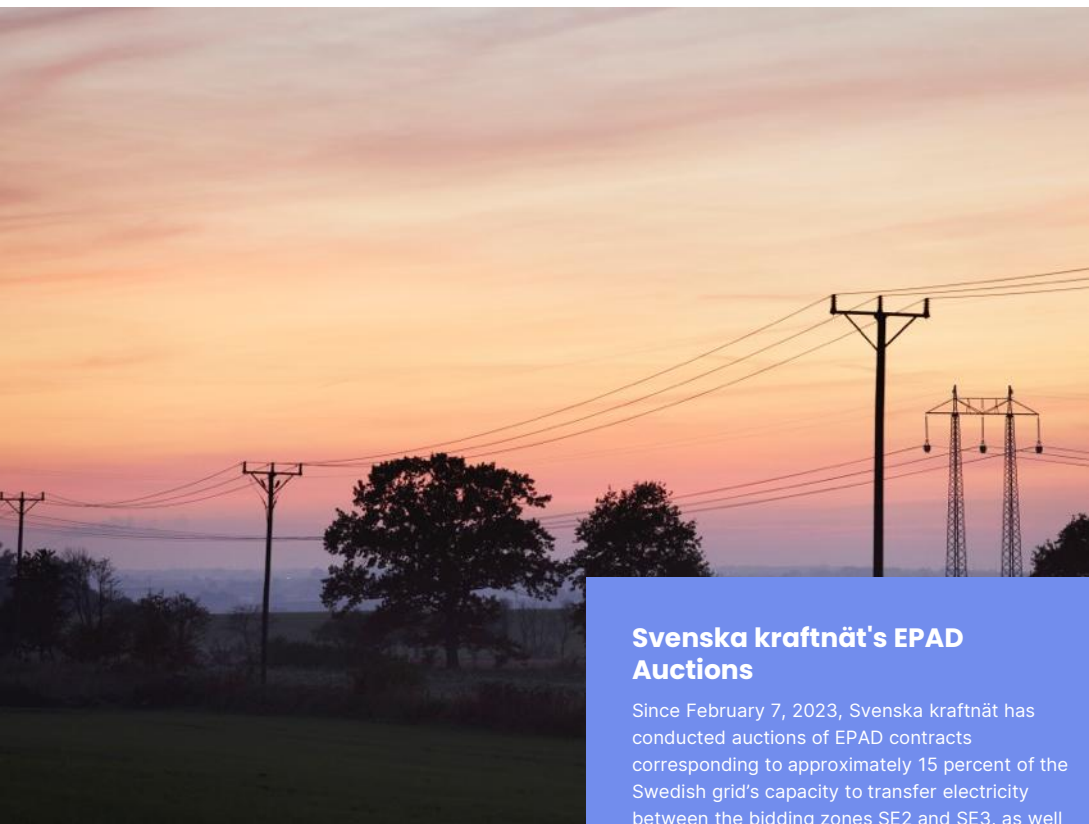


SVENSKA KRAFTNÄT

Quarterly Summary

– Svenska Kraftnät's EPAD auctions to support hedging opportunities

Second Quarter 2026



Svenska kraftnät's EPAD Auctions

Since February 7, 2023, Svenska kraftnät has conducted auctions of EPAD contracts corresponding to approximately 15 percent of the Swedish grid's capacity to transfer electricity between the bidding zones SE2 and SE3, as well as SE3 and SE4.

QUARTERLY SUMMARY Q2 2026

EPAD Auction Overview

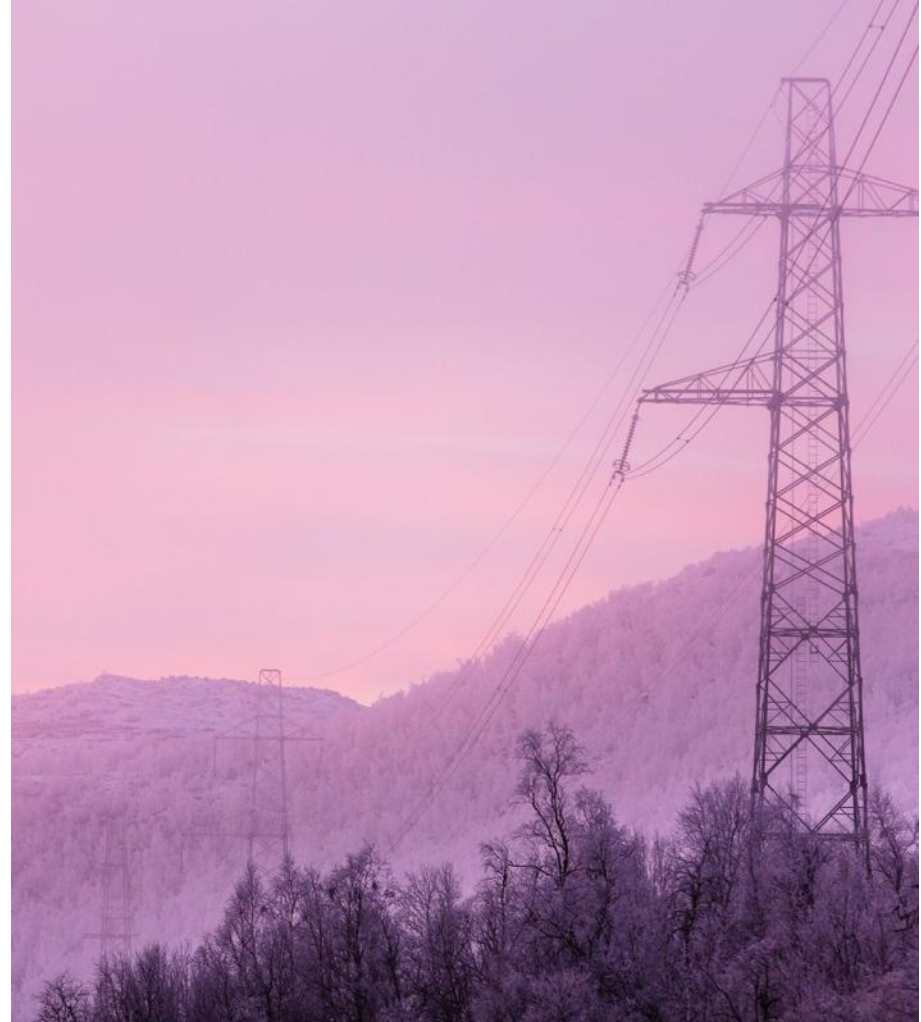
- Svenska kraftnät regularly conducts auctions of EPAD contracts for the bidding zones SE2, SE3, and SE4.
- The purpose is to improve hedging opportunities for market participants.
- A total of six auctions were carried out during the second quarter of 2026, starting on April 7.

Fluctuating price spread and continued signs of tactical bidding

The quarter was characterized by continued volatility, although it ended with a relatively unchanged price spread (SE2–SE4) compared to the start of the period.

Continuous trading in EPAD contracts declined during the quarter.

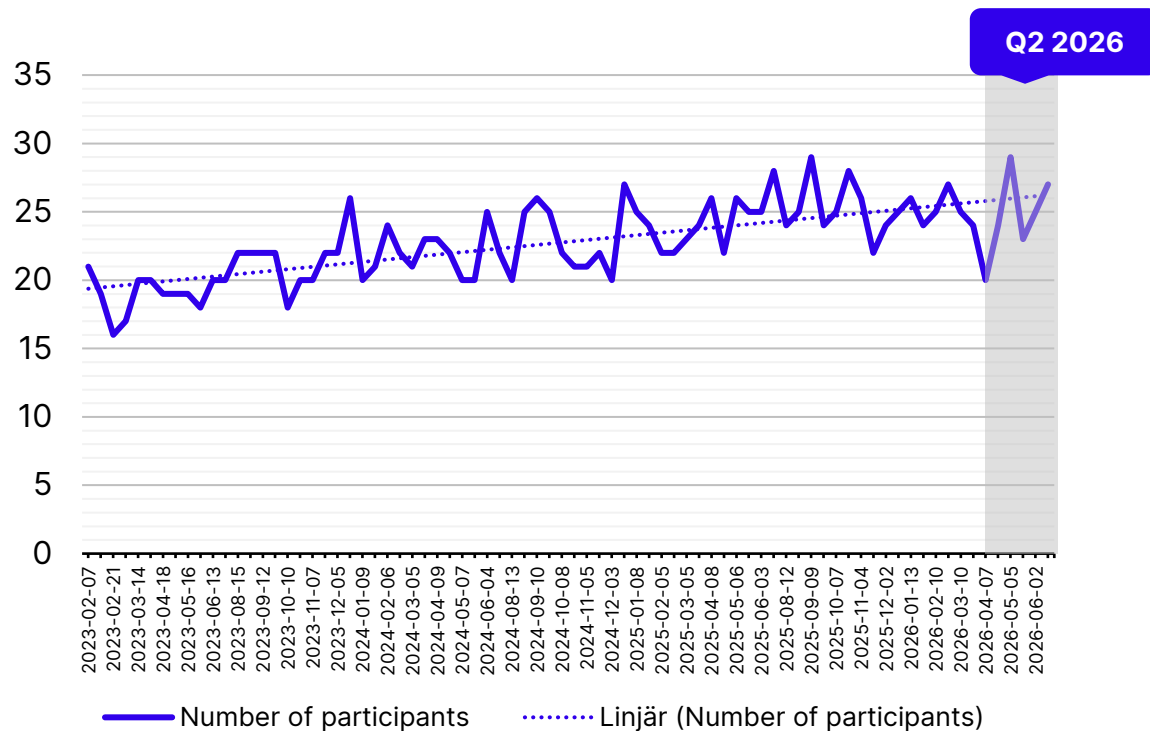
We continue to see signs of tactical bidding, but the price gap relative to market outcomes has narrowed. The auctions remained characterized by effective price formation and high participation.



Auction Participation

Continued high participation

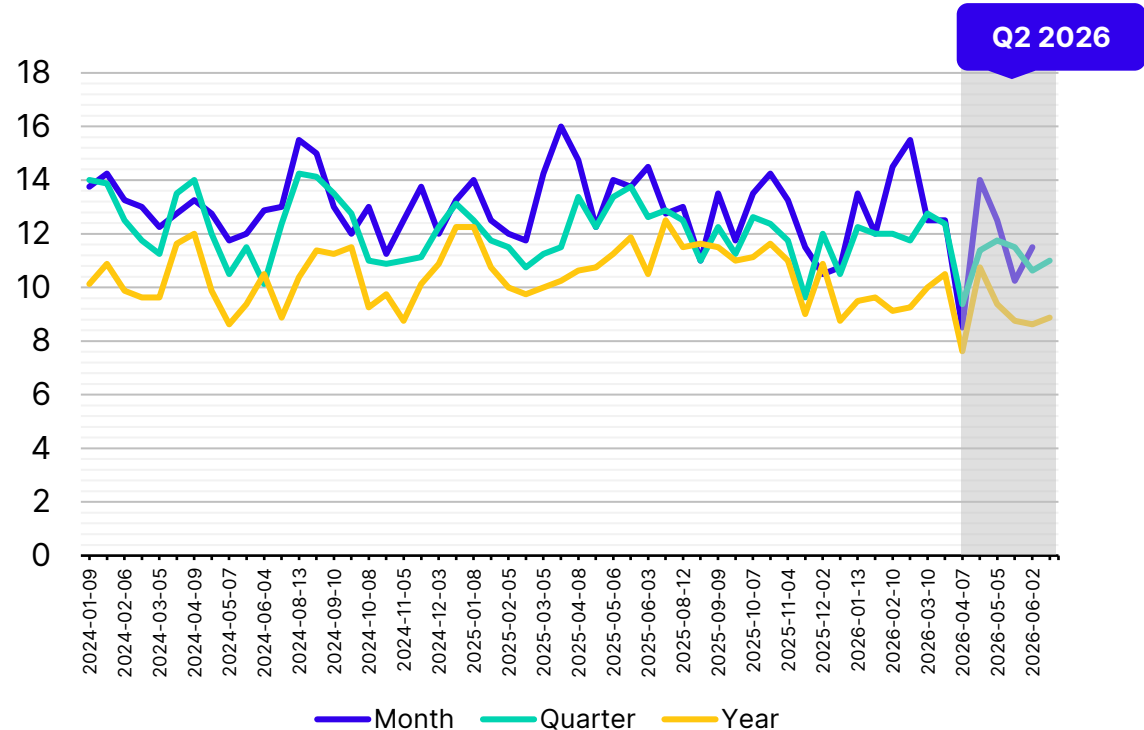
- Auction participation continues to show a positive trend, albeit with a temporary decline in the quarter's first auction.
- On average, 25 participants took part in the auctions during the second quarter of 2026.



Average number of participants per auction.

Participation by contract type

- The difference in participant interest between the contract types has varied during the quarter.
- No monthly contracts were offered in the quarter's final auction.

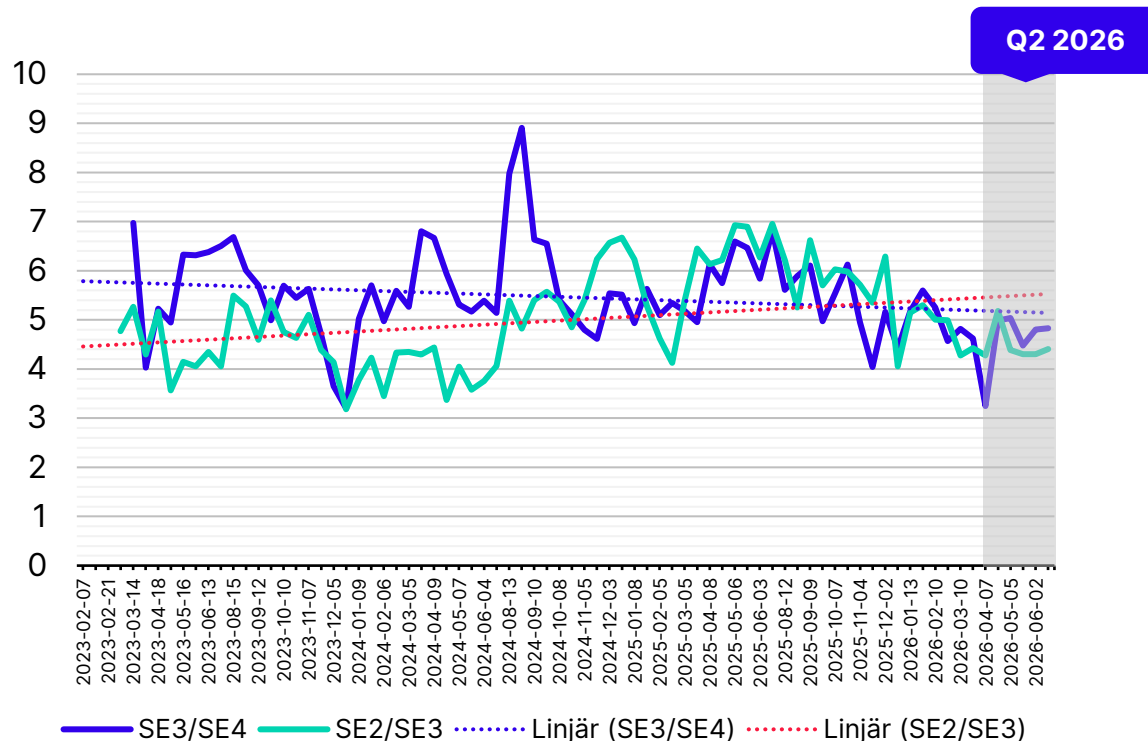


Average number of participants per auction, broken down by monthly, quarterly, and calendar year contracts.

Price Formation

Bid-to-cover ratio

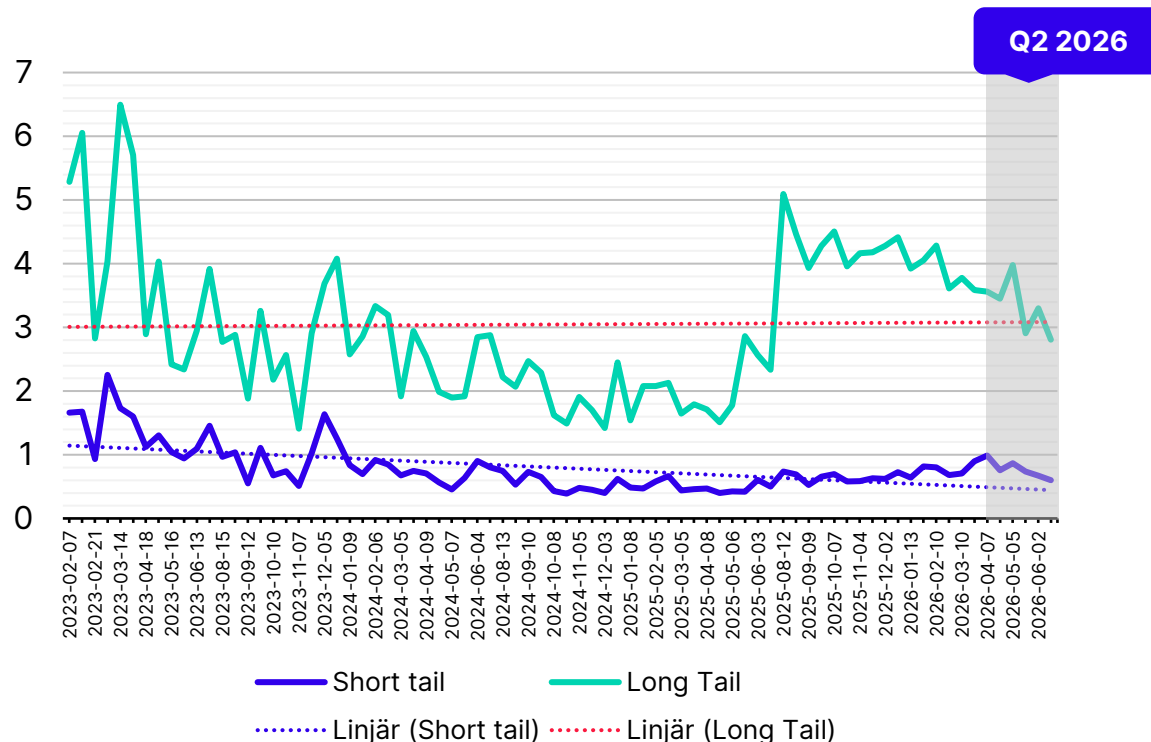
- The bid-to-cover ratio for SE2/SE3 (cut 2) is still close that of SE3/SE4 (cut 4). The bid-to-cover ratio has continued to decline during the quarter.
- Please note that the bid-to-cover ratio is adjusted according to the auction conditions and is not based on the total order volume.*



The bid-to-cover ratio at each auction for the bidding zone borders SE2/SE3 and SE3/SE4, to which the allocation conditions apply.

Implicit tails

- The implicit tails serve as a measure of price formation – the shorter the tail, the better the auction. Read more about implicit tails in the annual report.*
- The long tails have continued to decrease during the quarter. The trend suggests lower so-called tactical bids – that is, bids where participants prioritize securing allotment in the auctions by placing bids that deviate from prevailing market prices.



Average implicit short and long tails per auction. The linear trend lines for the short and long tails (dotted lines) in the figure show the general change in tails expressed in EUR.

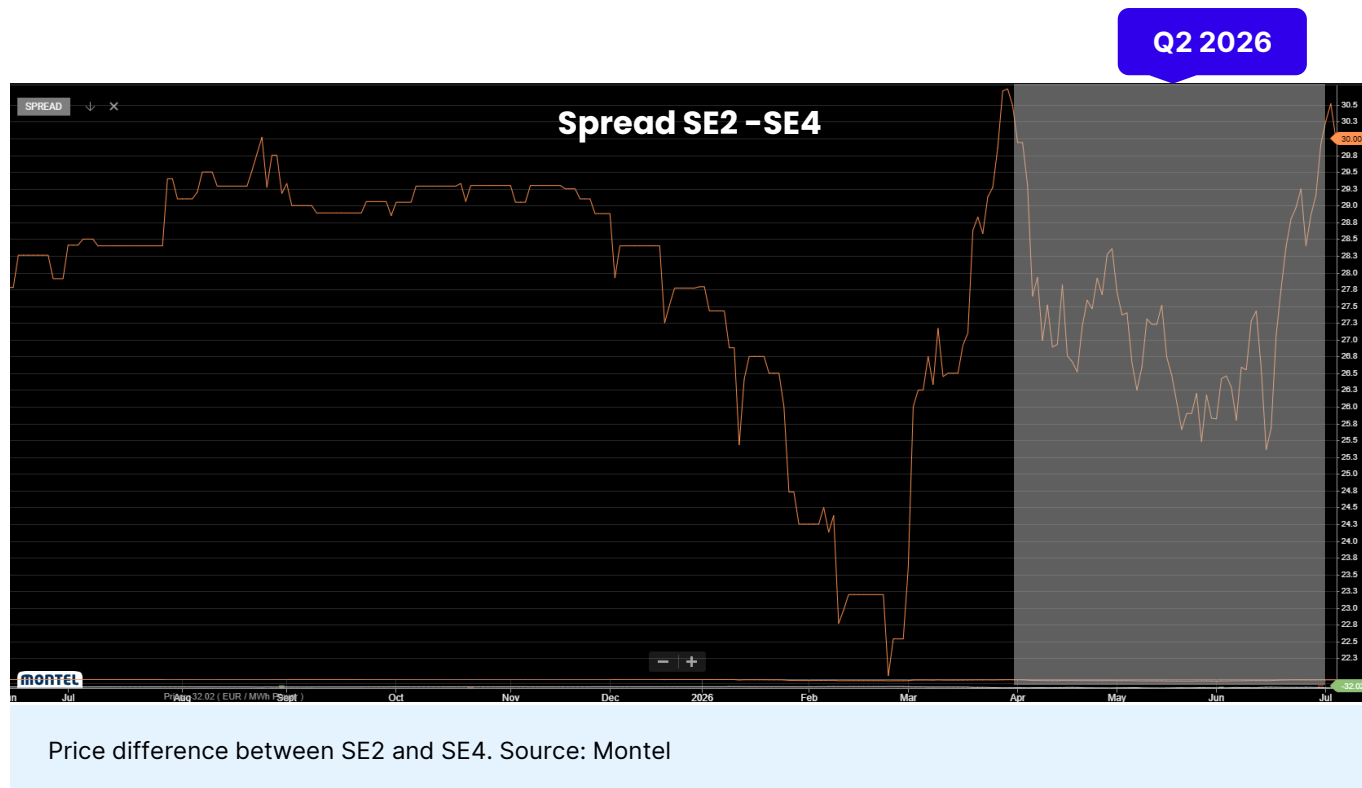
Market Development for EPADs (Cal-27)

- The market has continued to show increased volatility during the second quarter.
- Despite fluctuations during the quarter, the SE2 and SE4 contracts ended relatively unchanged, while SE3 closed the quarter slightly higher.



Price Spread Between Northern and Southern Sweden (Cal-27)

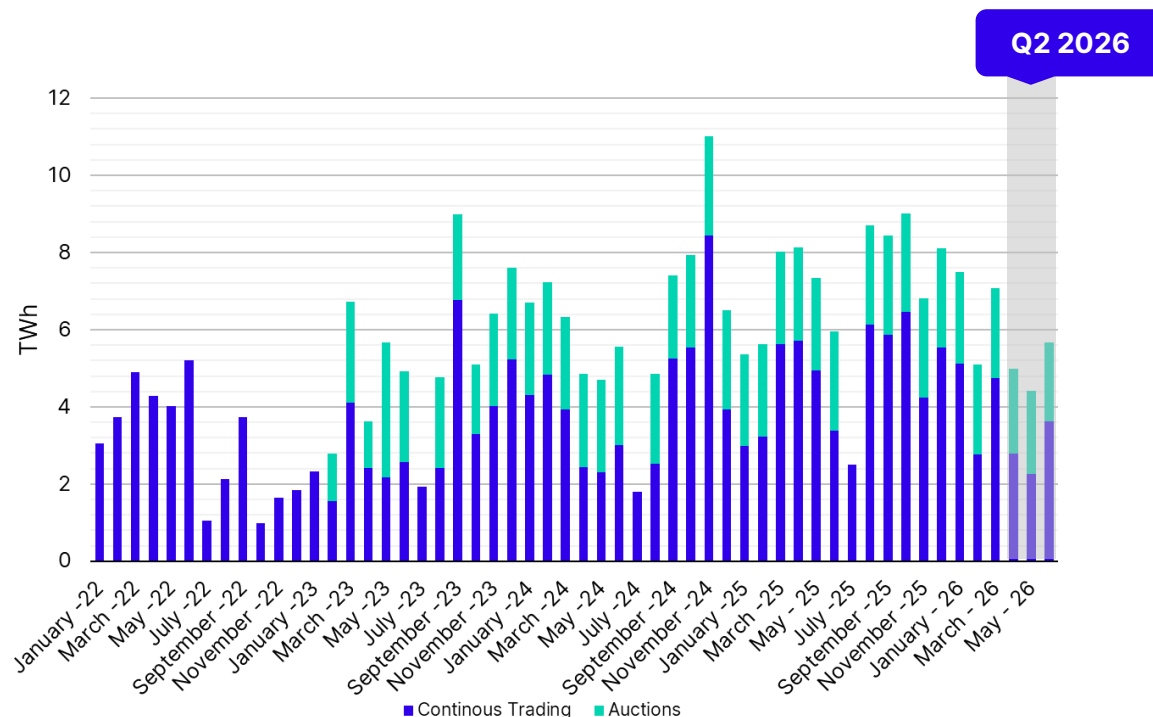
- The spread continued to fluctuate during the second quarter, though not to the same extent as in the previous quarter.
- The conflict in the Middle East and its consequences for natural gas prices in Europe remained a key driver of volatility in the price differential.



Activity and trading in the continuous EPAD market

Total EPAD-volume in SE2, SE3 and SE4

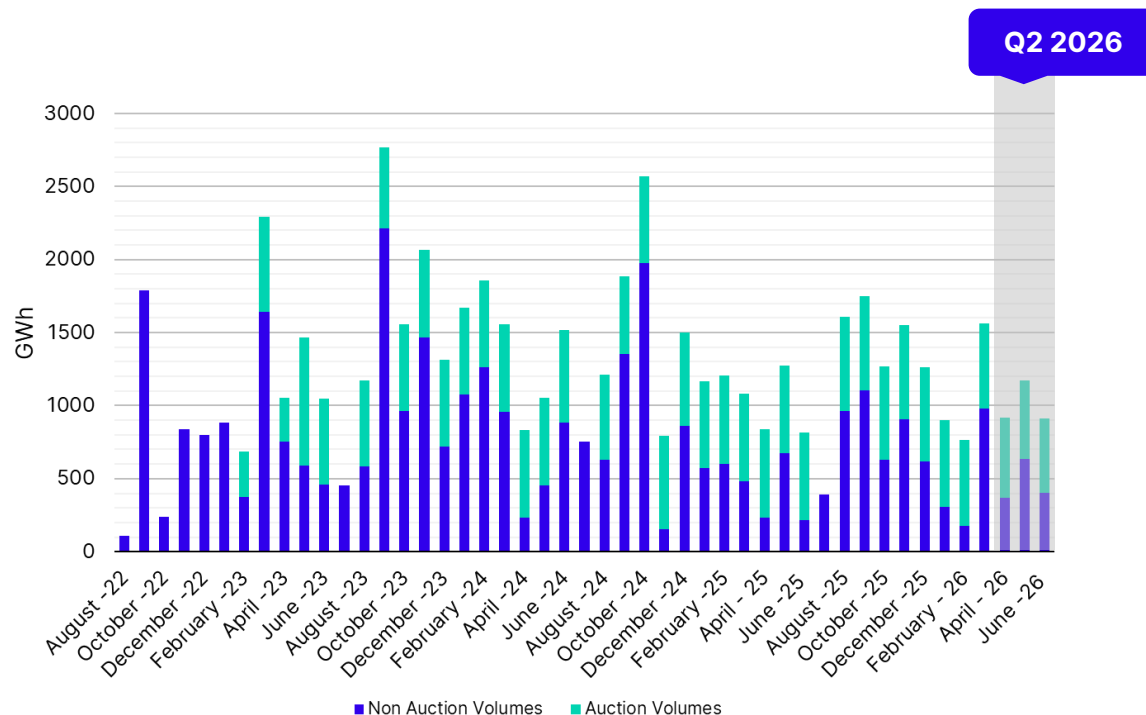
- The share of continuous trading decreased during the period.
- During the quarter, continuous trading accounted for approximately 58% of the total traded volume, compared to an average of 65% since the launch of the auctions.



Total traded volumes (TWh) for EPADs (SE2, SE3 and SE4) in continuous trading and in auctions respectively.

EPAD-volume SE2 (Sundsvall)

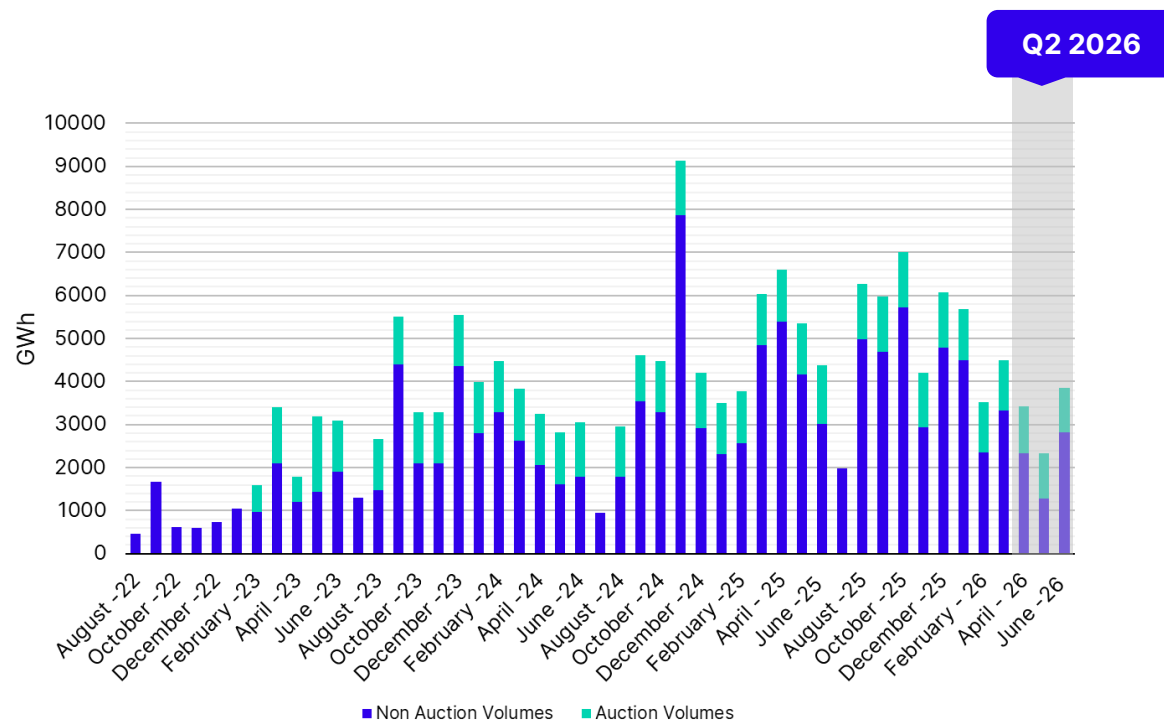
- Continuous trading in SE2 decreased somewhat during the quarter.
- Auction volumes as a share of total volume decreased slightly to approximately 53% during the second quarter, compared to 55% in Q1 2026.



Monthly traded volumes (GWh) of EPADs in SE2.

EPAD-volume SE3 (Stockholm)

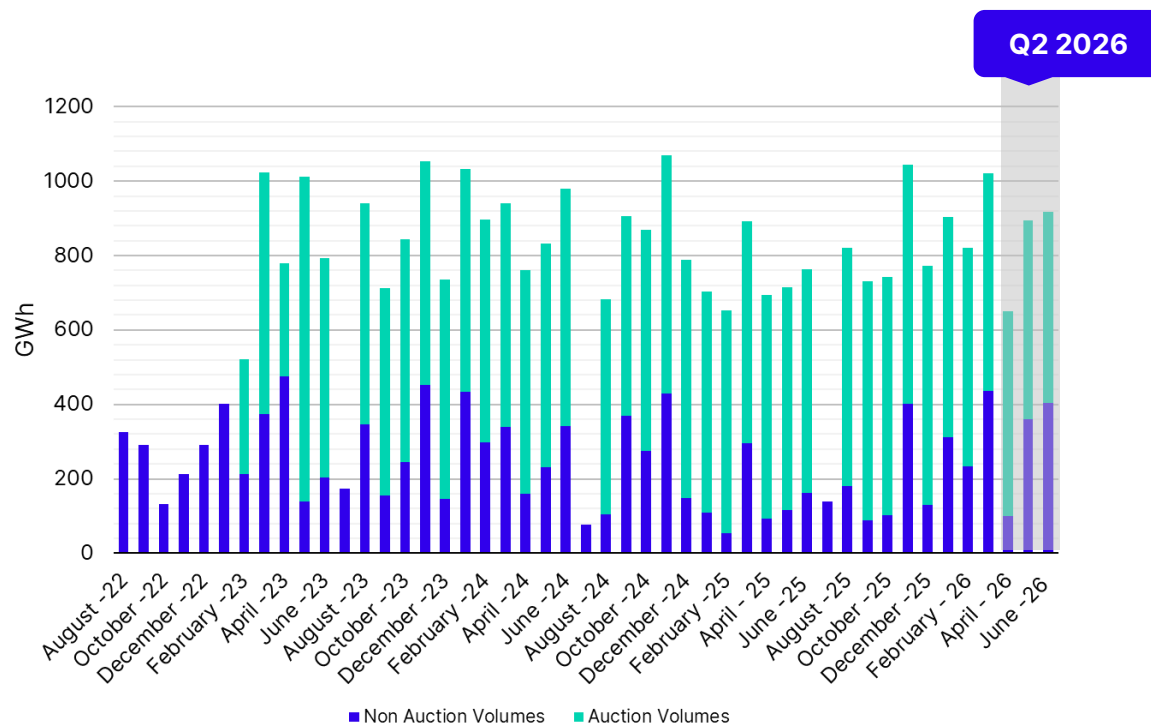
- The continuous trading in SE3 continued to decline during the second quarter. However, auctions still account for a relatively small share of the total volume, even though the share has risen.
- During the second quarter, the share of auction volumes was approximately 33%, compared to 26% in Q1 2026.



Monthly traded volumes (GWh) of EPADs in SE3.

EPAD-volume SE4 (Malmö)

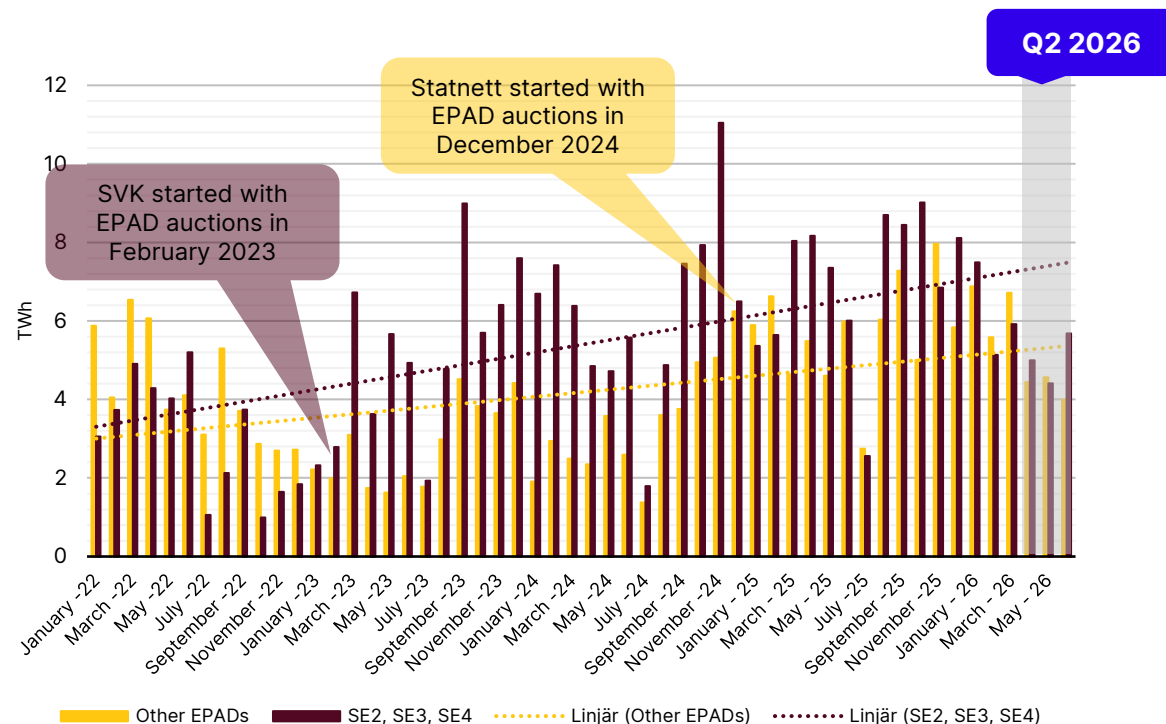
- In SE4, auctions account for the majority of the volume, which indicates weaker continuous trading and a less liquid market.
- During the second quarter, the share of auction volumes was approximately 65%, compared to 64% in Q1 2026.



Monthly traded volumes (GWh) of EPADs in SE4.

Total turnover in SE2, SE3 and SE4 EPADs compared to other EPAD contracts* in the Nordics

- EPAD volumes in SE2, SE3, and SE4 – from both auctions and continuous trading – accounted for 54% of the total EPAD volume during the second quarter of 2026, which was higher than in the previous quarter.



Total traded volumes (TWh) in SE2, SE3 and SE4 compared to other EPAD contracts. Other EPAD contracts include SE1, Finland, Denmark, and Norway.

