Q2

Operations & Financial Update
First Six Months 2021

Nick Walker, President & CEO
Teitur Poulsen, CFO
28 July 2021

Lundin Energy

Picture: Loading of the first carbon neutrally produced cargo of Johan Sverdrup

First Six Months 2021
Delivering Record Results

Growth

Record Production
Q2 **190** Mboepd
Annual guidance increased

Johan Sverdrup Ph 2 on track
Capacity increased **755** Mbopd
Planned installations completed

Projects on track
Growth **>200** Mboepd
by 2023

Resilience

Low Opex
H1 **2.8** USD/boe
below guidance [1]

Record Financial Results
FCF H1 **949** MUSD
Reduced net debt **3.2** Bn USD

Inaugural Bond Issuance
2 Bn USD

Sustainability

Carbon Neutral
from **2025**
operational emissions

~60% of production
Certified Carbon Neutrally Produced[2]

Renewable Projects on track

[1] *CMD guidance* [2] *Carbon neutral at FOB*

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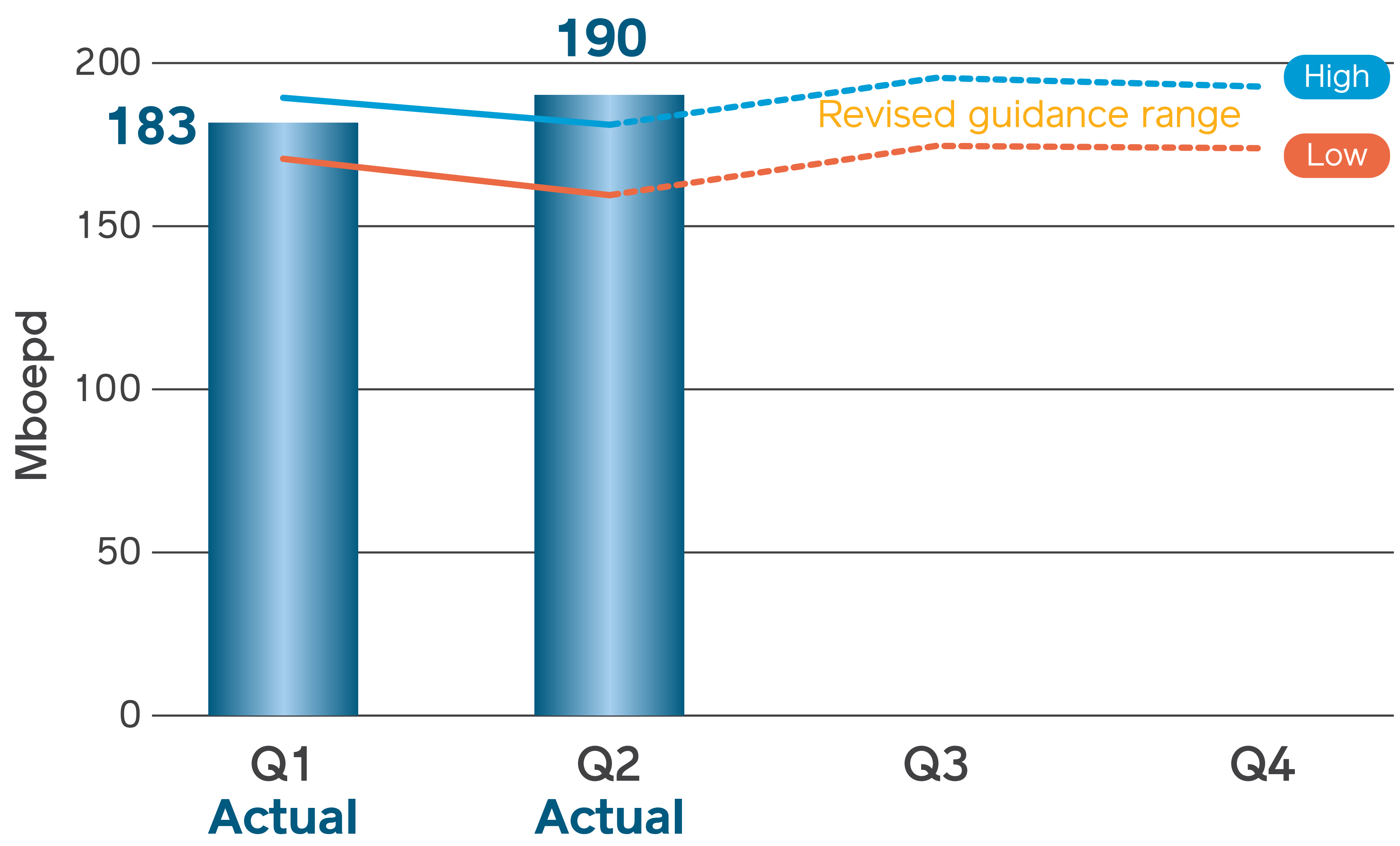
2021 Production

Record quarterly production
190 Mboepd
above top of guidance



Full year guidance increased[1]
180–195 Mboepd

Delivering guidance or better for **24** quarters running

[1] *Original guidance 170-190 Mboepd*

Lundin Energy
Top Tier Operating Performance

Production Efficiency [1]

98% Johan Sverdrup
98% Edvard Grieg
95% Alvheim Area

Operating Costs

2.82
USD/boe[1]

Full year guidance
3.00
USD/boe

Quarter of North Sea average

Carbon Intensity

2.9
kg CO_2/boe[1]

Full year guidance
<4
kg CO_2/boe

Approximately one sixth of world average

HSE Performance

Zero
material incidents [1]

[1] *First six months 2021*

Picture: Johan Sverdrup P2 Topsides

Lundin Energy
Carbon Neutral from 2025

~60% of barrels now sold as **Certified Carbon Neutrally** produced[1]

Carbon Intensity[2]

kg CO_2/boe

2021-2022	2023-2024	2025 onwards
<4	~1[3]	0

Carbon Neutral from 2025
(operational emissions)

[1] *Carbon neutral up to point of sale*
[2] *Lundin working interest emissions net of natural carbon capture projects*
[3] *Reduced from <2 kg CO_2/boe*

Lundin Energy
Powered by Renewables

Renewable Power Generation offsetting usage [1]

Johan Sverdrup phase 1 power usage

2021 Forecast: ~60% — 160 GWhr p.a.

Leikanger power generation

Johan Sverdrup full field and Edvard Grieg power usage

End 2023: >100% — 500 GWhr p.a. — ~600 GWhr p.a.

Committed projects power generation [2]

[1] Forecast net Lundin working interest power usage and generation
[2] Leikanger, Metsälamminkangas (MLK) and Karskruv projects

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Johan Sverdrup
Delivering Above Expectations

Excellent Reservoir Performance

Carbon Footprint [(1)]
<0.1
kg CO_2/boe

Production Efficiency [(1)]
98%

Full field production capacity increased [(2)]

755 Mbopd
increased from 720 Mbopd

Low operating costs [(1)]

1.63 USD/bbl

Full field reserves [(2)]

2.2-3.2 Bn boe

Reduced Full field breakeven price

<15 USD/boe
reduced from <20 USD/boe

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[(1)] *First six months 2021* [(2)] *Gross*

Johan Sverdrup Phase 2
Successful Installation Programme

>60% complete

First Oil on schedule
Q4 2022

41(1) Bn NOK

Capex unchanged from PDO

P2 Platform
Succesfully assembled in Norway
Offshore installation Q2 2022

P2 Jacket
Installed June 2021

Riser Platform Module
Installed July 2021

(1) *Gross*

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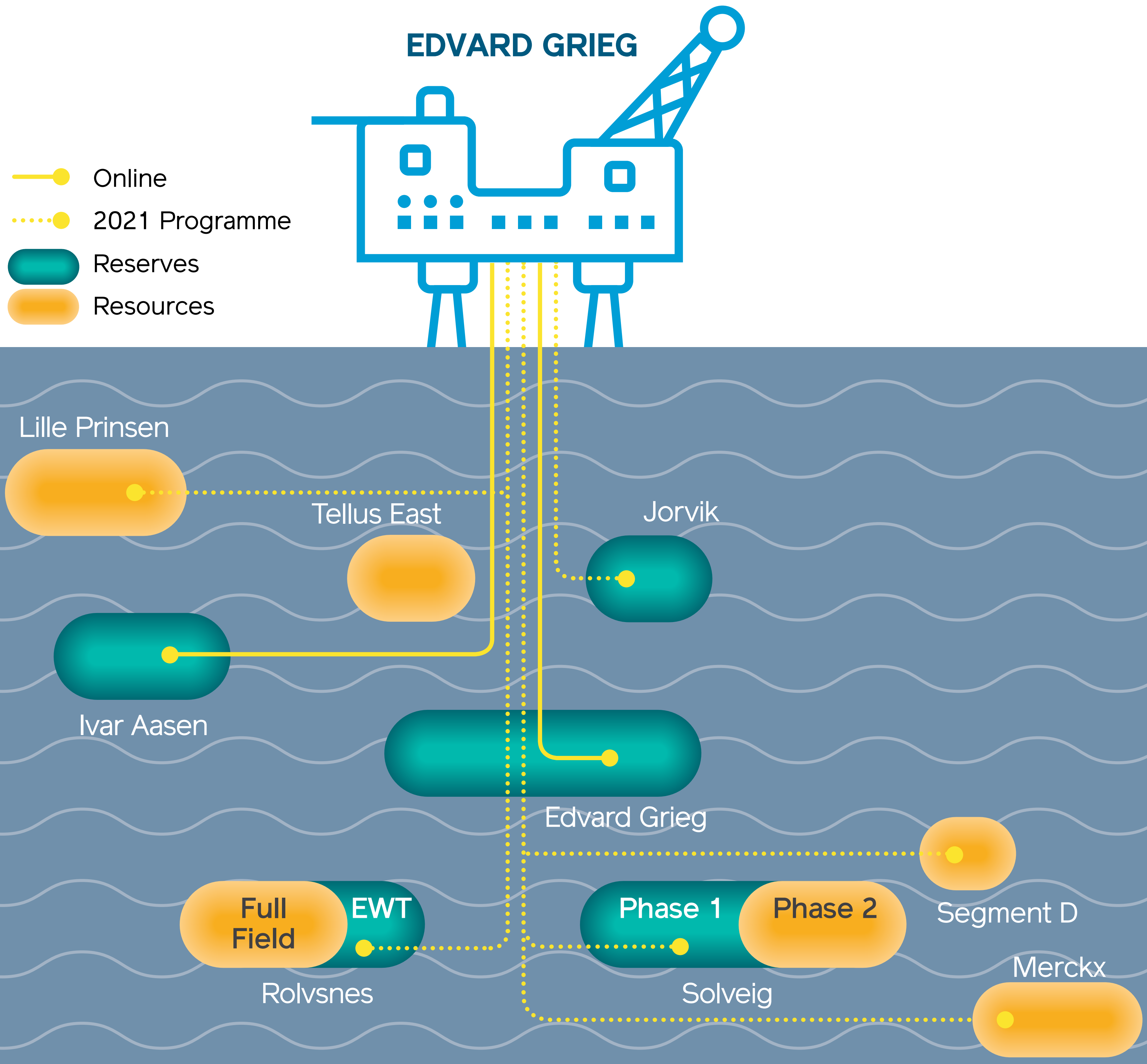
Greater Edvard Grieg Area
Keeping the Facilities Full

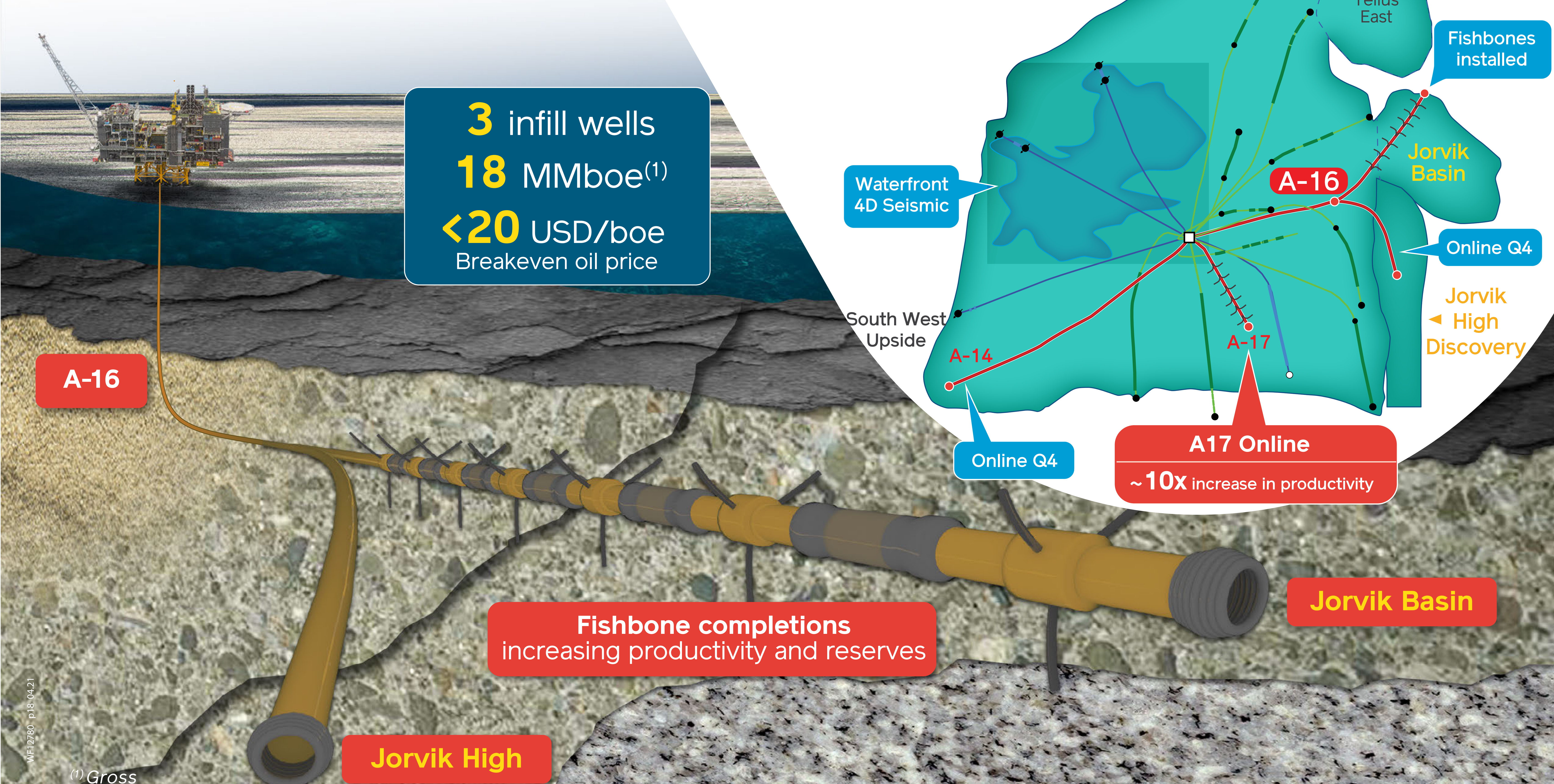
OPEX
3.72
USD/boe (1)



- **Edvard Grieg**
  - 3 infill wells – 2 completed
  - Additional capacity with Ivar Aasen decline
  - Power from shore online end 2022
- **Tie back projects - online Q3 2021**
  - Solveig Phase 1, Rolvsnes Extended Well Test (EWT)
- **Exploration opportunities**
  - Lille Prinsen currently drilling
  - Merckx Q3 2021

(1) *First Six Months 2021, includes tariff netting*

Edvard Grieg
Infill Well Programme - Good Results



(1) Gross

Solveig Phase 1 & Rolvsnes EWT
First Oil Q3 2021

Topsides modifications & subsea facilities completed

Solveig Phase 1

40–100 MMboe [1]

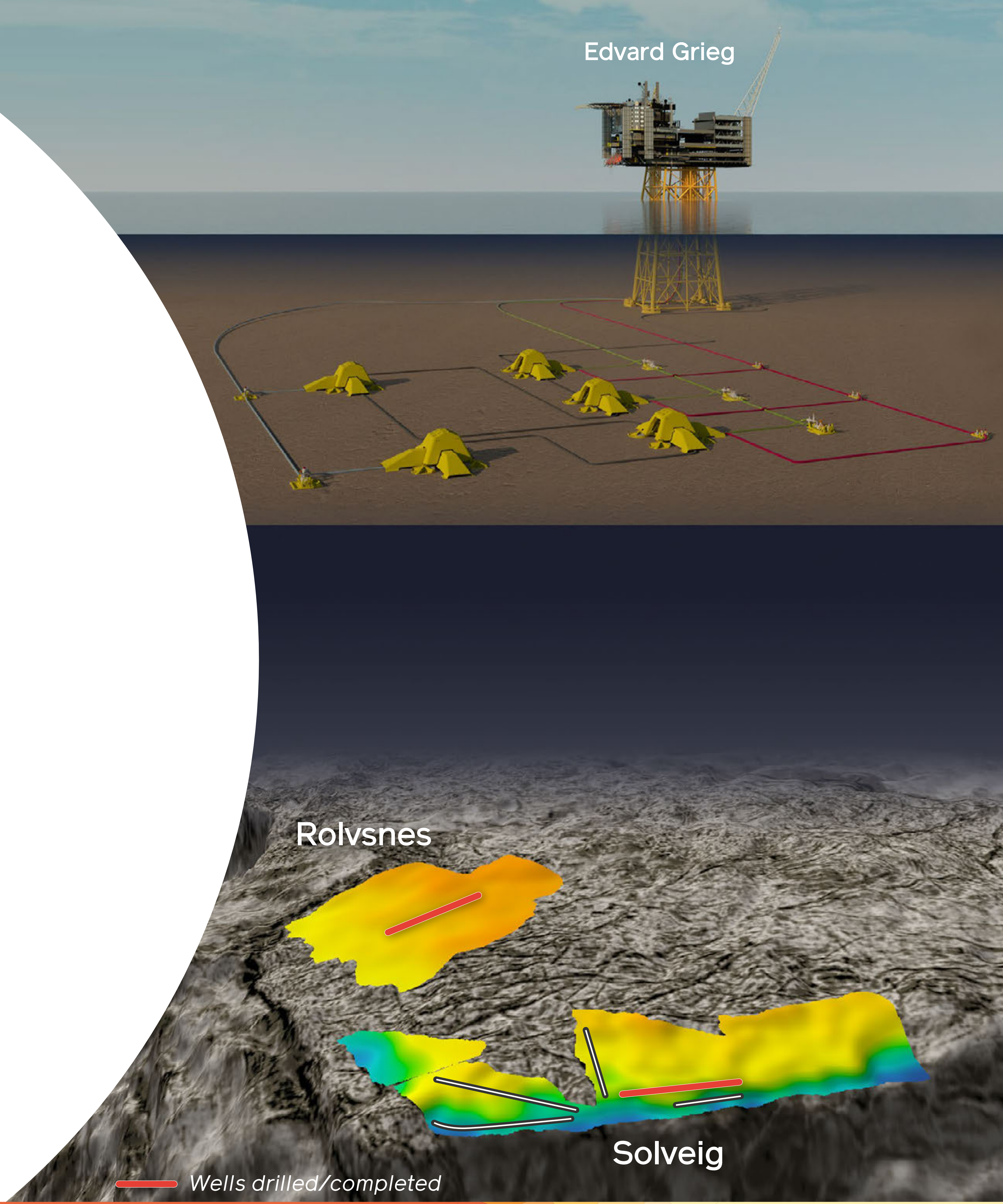
Plateau **30** Mboepd [2]

Breakeven oil price **<20** USD/bbl

Rolvsnes EWT

De-risks full field development

14–78 MMboe [1]



[1] *Gross resources* [2] *Gross*

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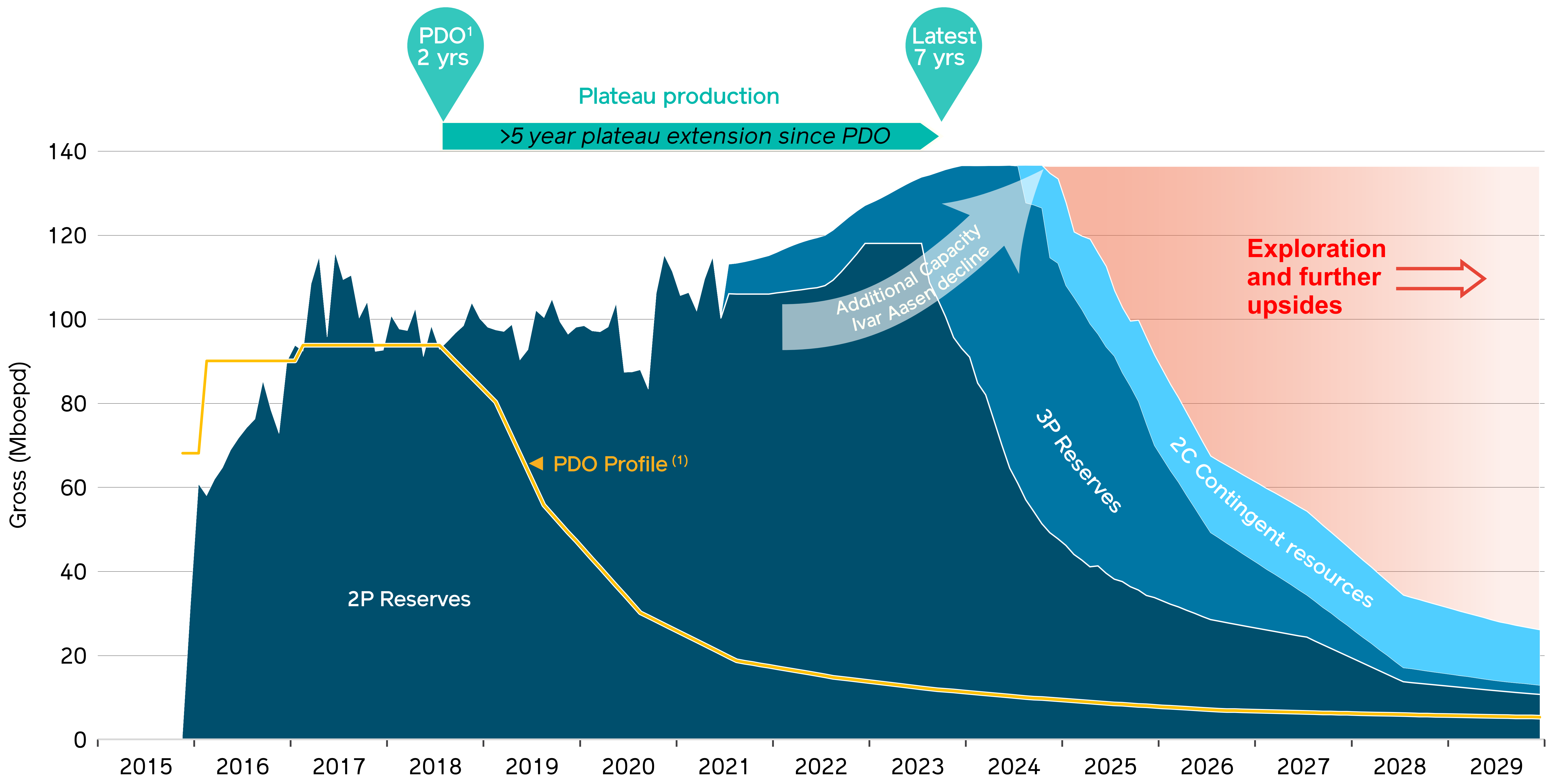
Greater Edvard Grieg Area
Sustaining Long-term Production



(1) Original Edvard Grieg PDO excluding tie-back projects   Note: 2P/3P reserves includes Edvard Grieg, Solveig Phase 1 and Rolvsnes EWT

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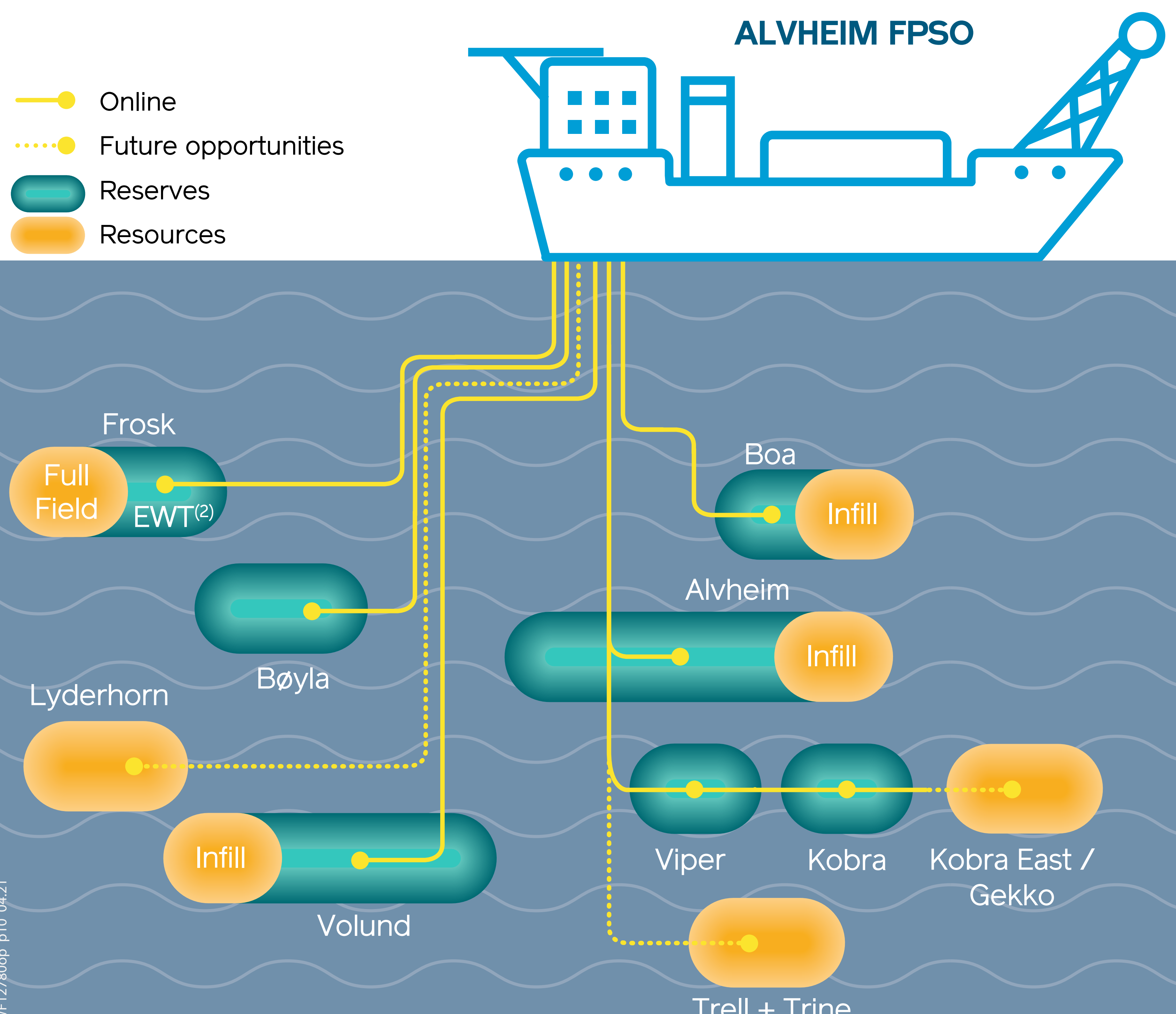
Alvheim Area
Continuous Reserves Growth

OPEX
7.38
USD/boe[1]

New Projects Additions[3]
>65 MMboe
Up to **45** Mboepd



- **3 infill wells – one online**
- **New projects**
  - Kobra East / Gekko - PDO submitted
  - Frosk - PDO Q3 2021
  - Trell & Trine - concept studies ongoing
- **Lyderhorn exploration well Q4 2021**

(1) First Six Months 2021 *(2) Extended Well Test* *(3) Gross, including infill wells*

Lundin Energy
Sustaining Production >200 Mboepd

Delivering Growth

>200 Mboepd by 2023

5 projects underway

Sustaining Production

Pipeline of new projects

1 sanctioned, **3** heading to sanction

3 being de-risked

Accelerated by tax incentives

Delivering Future Value

2021 E&A Programme

Remaining **4** wells targeting

~**200** MMboe [(1)]

[(1)] *Net unrisked resources*

Picture: West Bollsta Drilling Rig & Edvard Grieg Platform

Second Quarter 2021
Financial Highlights

Production and sales

Produced: **190** Mboepd

Sales: **180** Mboepd

Good price realisation

Oil: **67.9** USD/bbl

Gas/NGL: **52.3** USD/boe

Costs and investments

Opex: **2.80** USD/boe

Oil & gas capex / E&A: **267** MUSD

Renewable capex: **48** MUSD

Strong cash generation

EBITDAX: **1,060** MUSD

CFFO: **738** MUSD

FCF [1]: **423** MUSD

Successful bonds issuance

1 BUSD 5Y **2.0 %** Senior Notes

1 BUSD 10Y **3.1%** Senior Notes

Deleveraging and ratios

Net debt end Q2: **3,189** MUSD

Net debt / EBITDAX [2]: **1.0x**

[1] *Pre-dividends*

[2] *Bonds plus bank loan less cash and cash equivalents divided by EBITDAX of the last 12 months*

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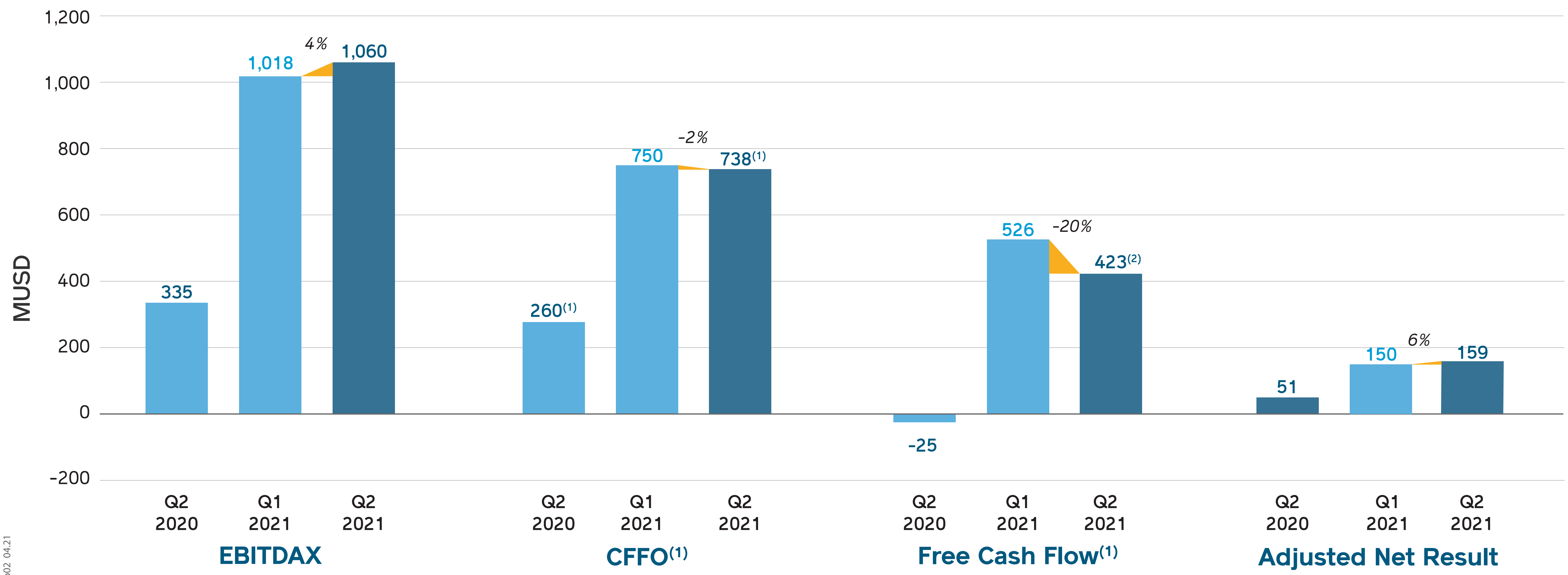
First Six Months and Second Quarter 2021
Key Financial Metrics

	Q2-20	Q1-21	Q2-21	Q2 vs Q2	Q2 vs Q1
Sales Price (USD/boe)	24.7	59.9	66.7	170%	11%
Sales Volumes (MMboe)	15.7	18.5	16.4	4%	-11%



(1) *Negatively impacted in Q1-21 by working capital movements of MUSD 135; negatively impacted in Q2-21 by working capital movements of MUSD 42*
(2) *MUSD 91 higher cash outflow for investing activities in Q2-21 compared to Q1-21*

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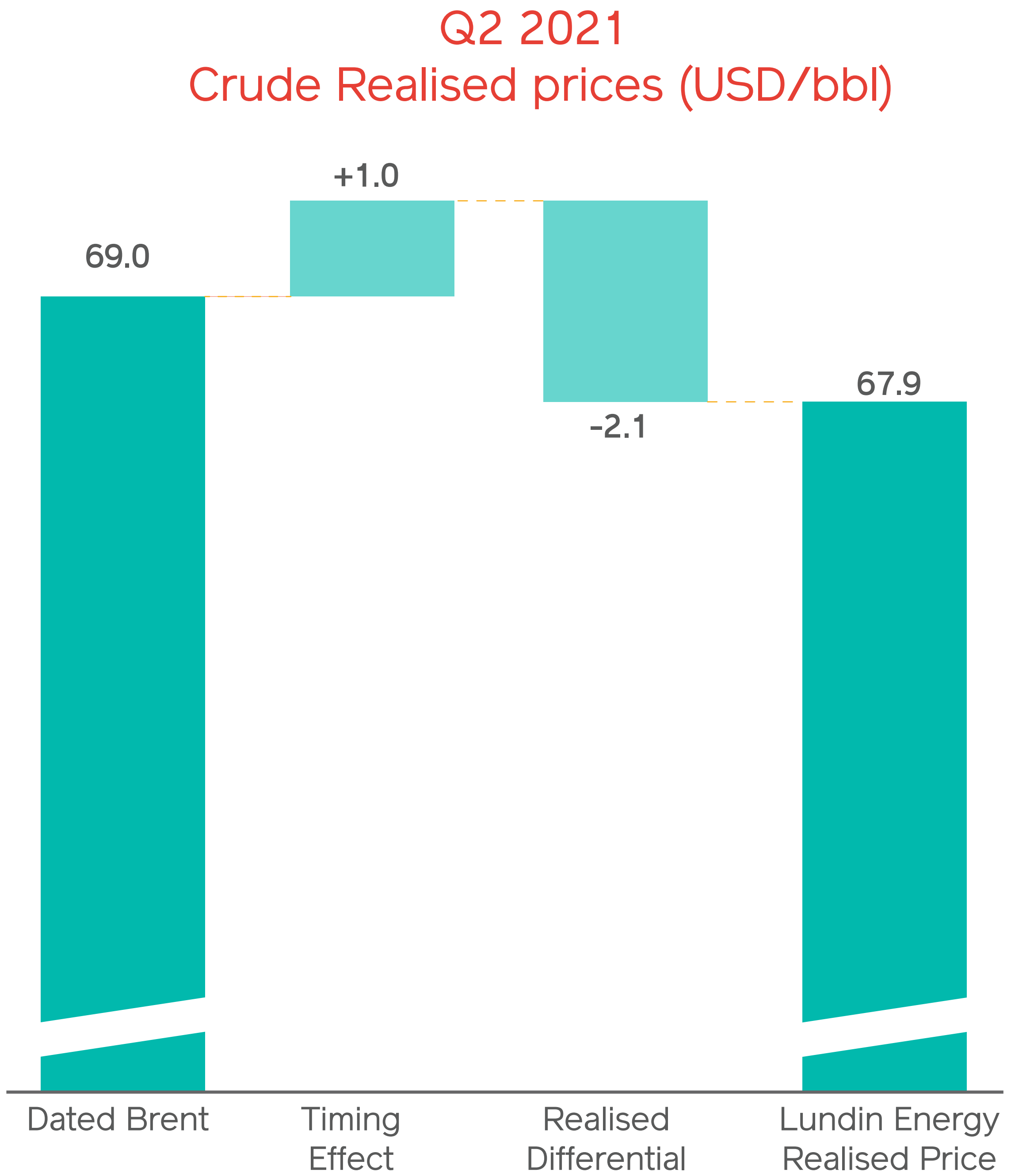
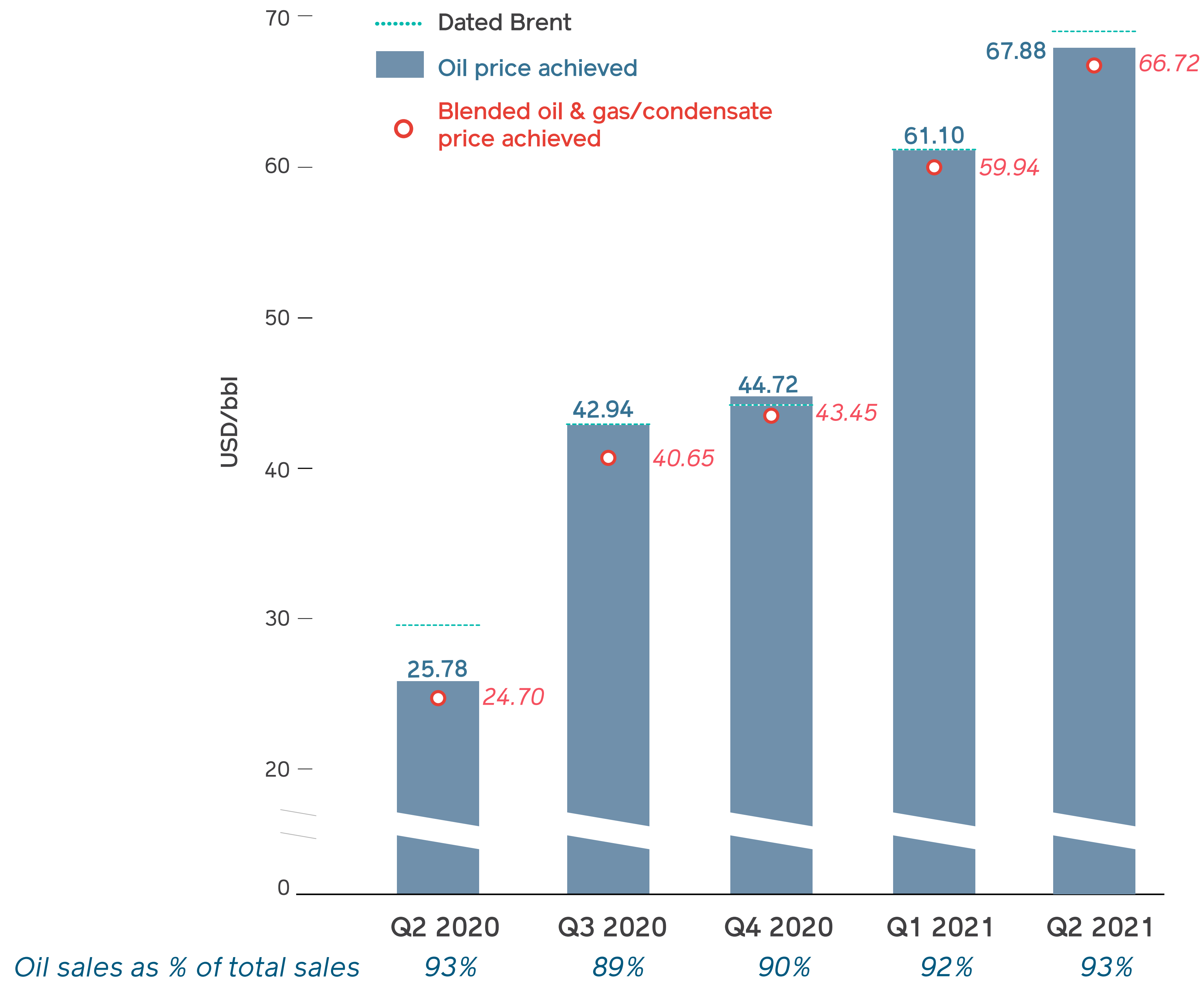
Second Quarter 2021
Good Price Realisation



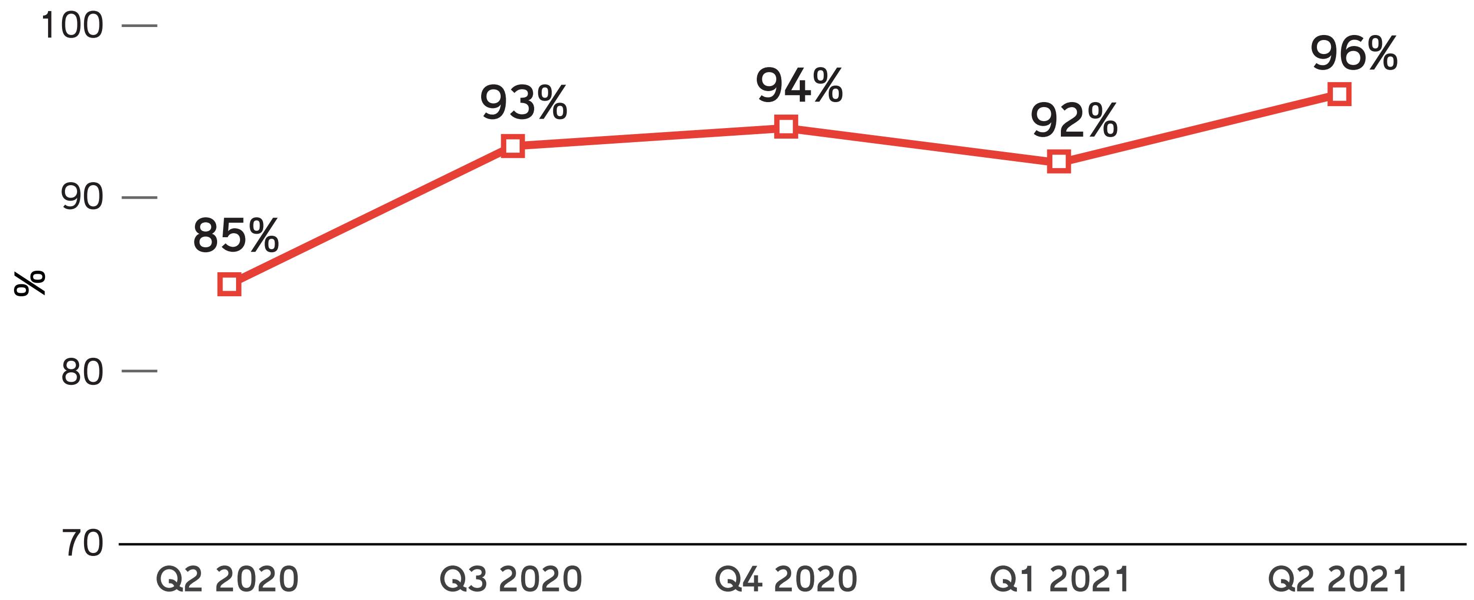
21 oil cargoes lifted during Q2



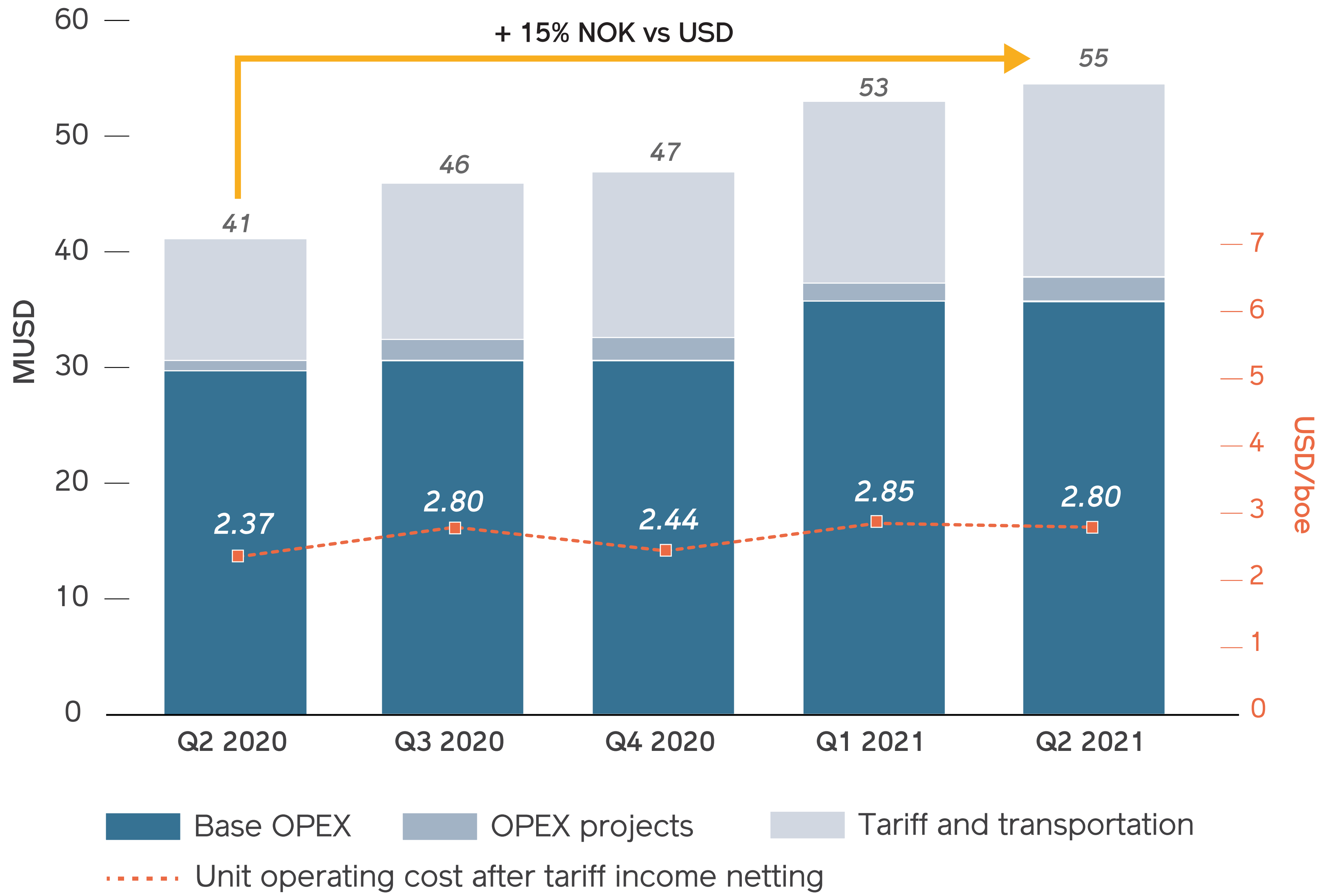
Second Quarter 2021
Operating Costs & EBITDAX Margin

Good cost control across the business
Stronger NOK impacting costs
Maintaining 2021 guidance of 3.00 USD/boe after tariff netting

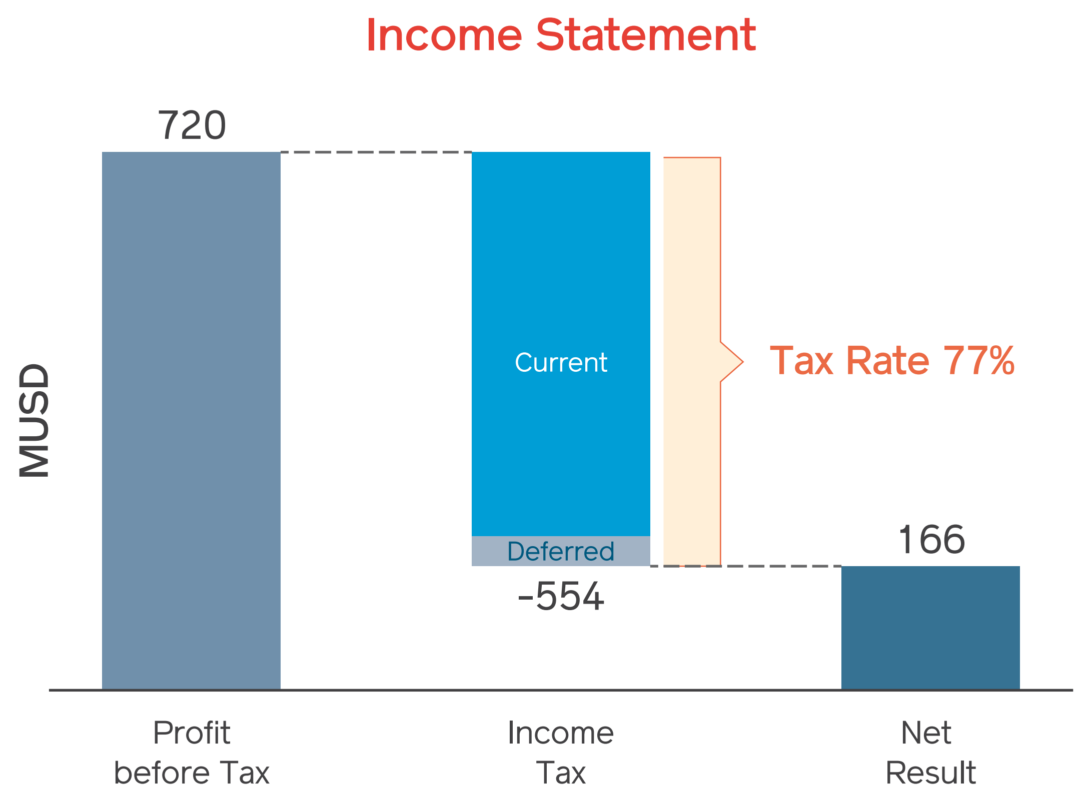
EBITDAX Margin

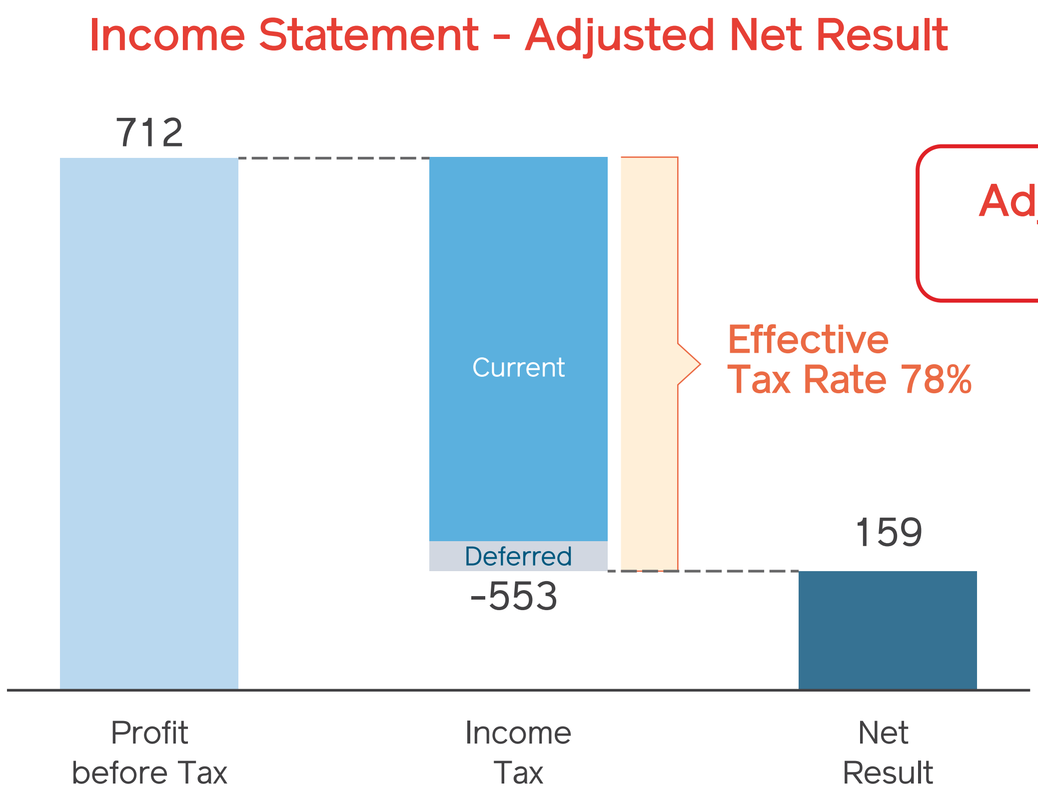


Operating Costs

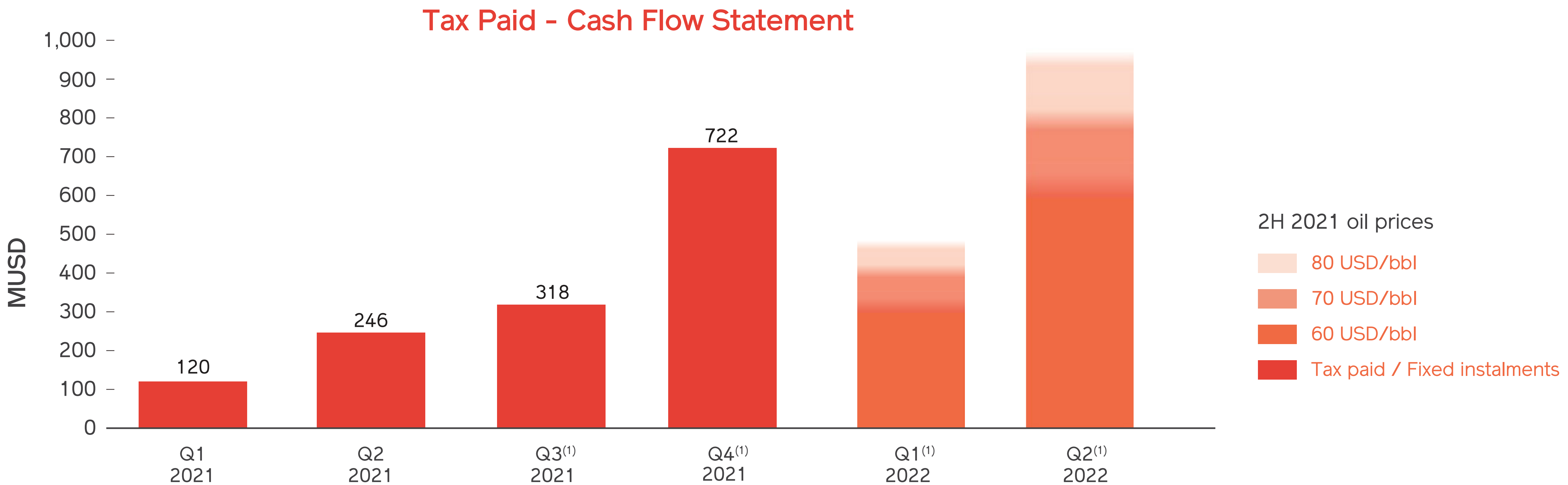


Second Quarter 2021
Income Taxes





Adjusted for FX, ineffective IRS and related tax effects



(1) *Based on USD/NOK fx rate of 8.50*

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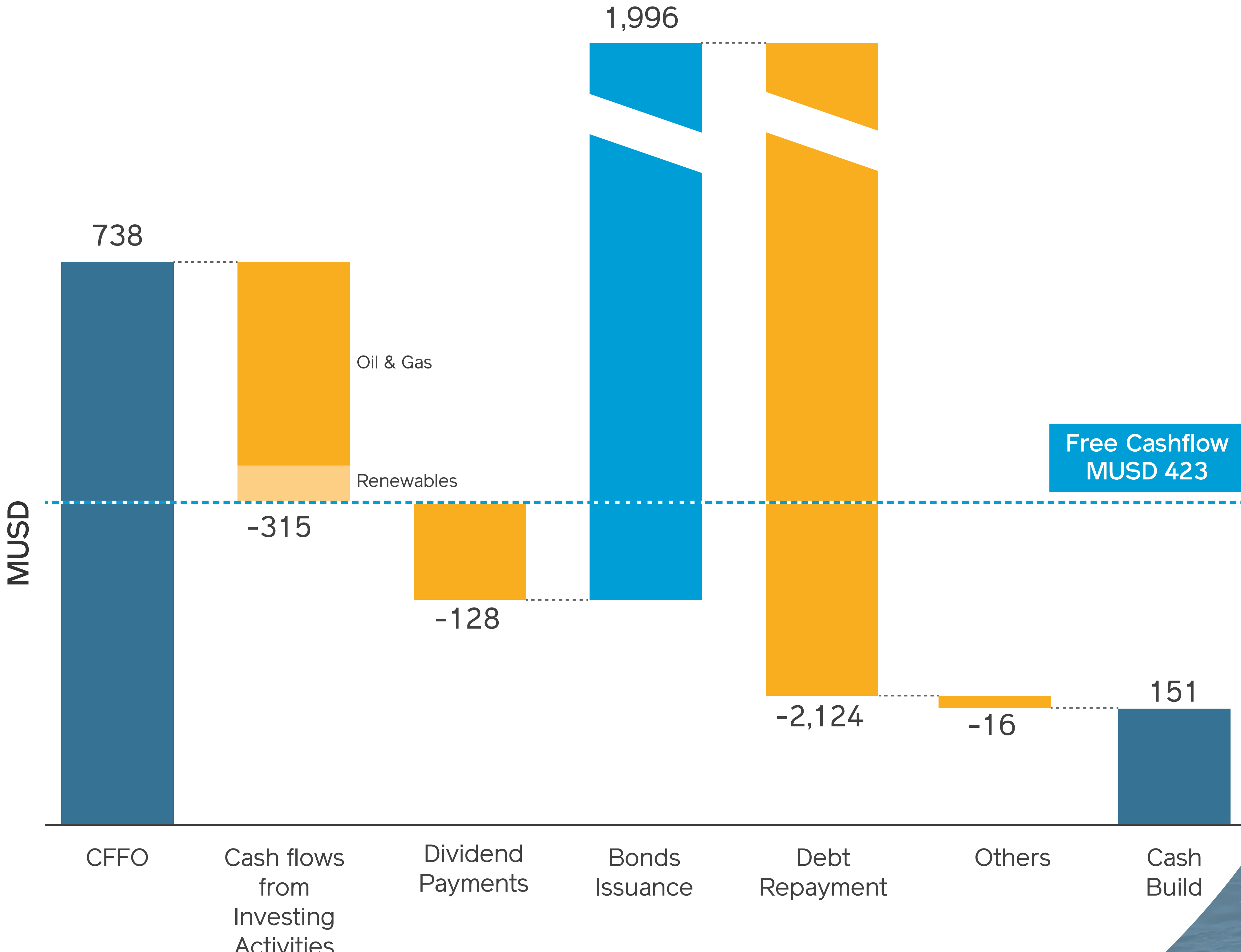
Second Quarter 2021
Cash Flows



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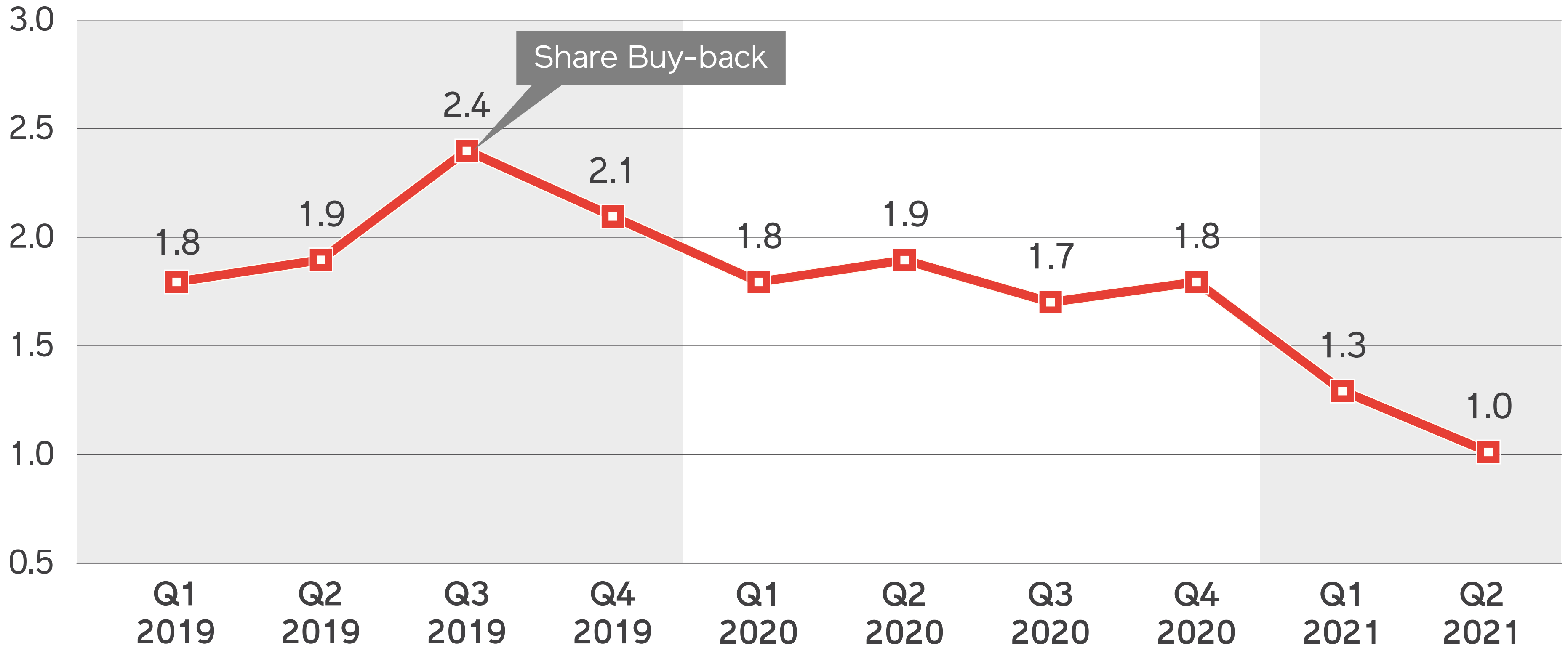
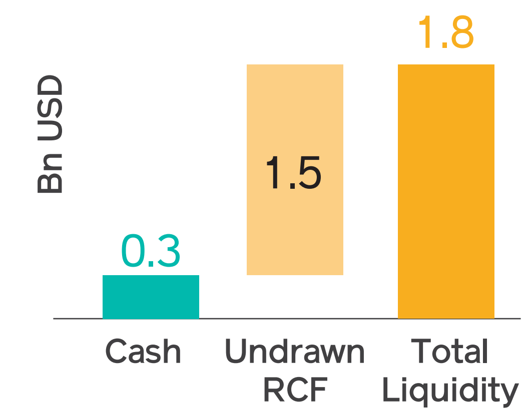
Second Quarter 2021
Debt Position and Liquidity

Debt Gearing – Net Debt/EBITDAX [1]

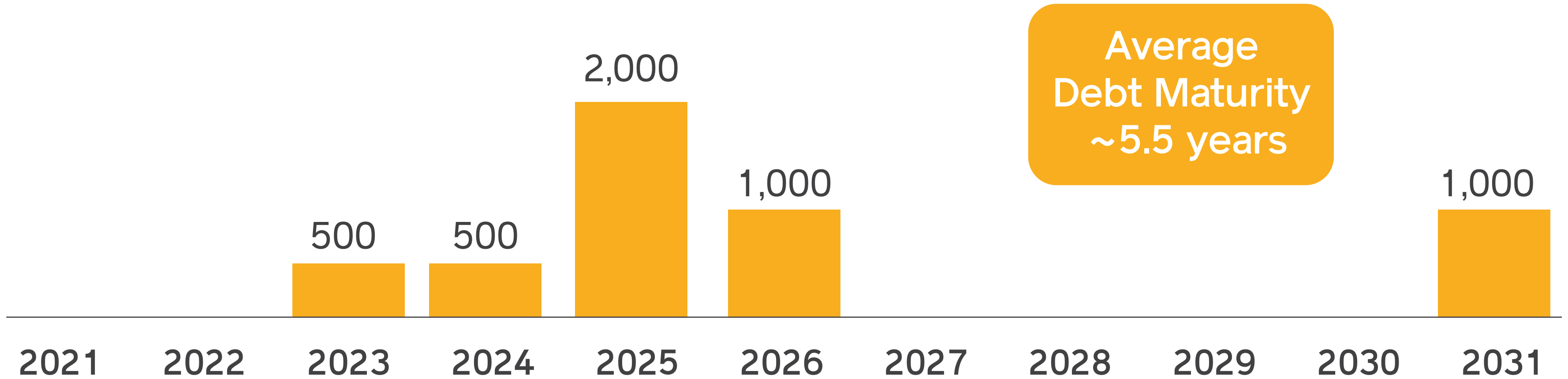


Debt end Q2

Liquidity end Q2



Debt Maturity



3 Investment Grade Credit Ratings
Fitch Ratings, Moody's, S&P Global

[1] *Last 12 months*

2021 Latest Guidance
Compared to CMD

	CMD 50 USD/bbl	Latest Guidance	1H - 2021 Actuals
Production (Mboepd)	170-190	180-195	186
Operating costs (USD/boe)	3.00	3.00	2.82
CAPEX - Oil &Gas (MUSD)	850	850	343
E&A Expenditure (MUSD)	260	260	140
Decommissioning Expenditure (MUSD)	20	20	10
Capex - Renewables/Reforestation (MUSD)	70	100	54

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Dividends

- 2020 dividend of USD 1.80/share approved by AGM on 30 March 2021
- Dividend schedule - quarterly payment

Dividend per Share	Dividend Distribution	Ex-dividend Date	Expected Payment Date
USD 0.45	~ MUSD 128 (1)	31 March 2021	8 April 2021
USD 0.45	~ MUSD 128 (1)	1 July 2021	7 July 2021
USD 0.45	~ MUSD 128	1 October 2021	7 October 2021
USD 0.45	~ MUSD 128	4 January 2022	11 January 2022

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(1) *Paid out in SEK*

Lundin Energy
Delivering Record Results

Safe and responsible operations

- **World class assets continue to outperform**
  – record production and operating costs ahead of guidance
- **Resilient cash generative** business delivers **record free cash flow**
  - covering material dividends, funding growth and deleveraging the business
- **Key projects on track** to deliver growth to **>200 Mboepd by 2023**
  – sustained with pipeline of opportunities
- On target for **Carbon Neutral** operations **from 2025**
  – 60% of production carbon neutrally produced today

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