

Update on fourth quarter 2021 financial results and webcast details for the presentation on 1 February 2022

Lundin Energy AB (Lundin Energy) will publish its financial report for the fourth quarter 2021 and host a webcast presentation for the 2021 year end results and a 2022 business update on Tuesday, 1 February 2022. For the fourth quarter 2021, Lundin Energy will expense pre-tax exploration costs of approximately MUSD 20, and recognise a net foreign exchange loss of approximately MUSD 84.

AkerBP transaction

On 21 December 2021, Lundin Energy announced that it had entered into an agreement (the transaction) with AkerBP whereby AkerBP will absorb Lundin Energy's E&P business through a cross-border merger in accordance with Norwegian and Swedish law. Before completion of the cross-border merger, the shares in the company holding Lundin Energy's E&P business will be distributed to Lundin Energy shareholders. Consequently Lundin Energy will present its E&P business as discontinued operations in the consolidated Income Statement and will present the asset and liabilities associated with the E&P business as assets and liabilities held for distribution.

All the items included in this update on the fourth quarter 2021 financial results relate to Lundin Energy's E&P business unless stated otherwise.

Continuing operations

Once the transaction with AkerBP is completed, the renewable business, which is reported as continuing operations, will be debt free and have a cash balance of MUSD 130, to cover capital expenditure and other working capital items. The renewable business is expected to be free cash flow positive from late 2023, when the renewable portfolio has been fully built out and all projects are operational.

Exploration costs

It is the Company's policy to capitalize costs associated with its exploration activities and when it is determined that a commercial discovery has not been achieved, the associated exploration costs are charged to the income statement. For the fourth quarter of 2021, Lundin Energy will incur pre-tax exploration costs of approximately MUSD 20, which will be charged to the income statement and offset by a tax credit of approximately MUSD 16. The exploration costs are mainly related to the Dovregubben well in PL976, the Lyderhorn well in PL1041 and relinquished licenses.

Net debt and foreign exchange loss

The net debt position of Lundin Energy at 31 December 2021, amounted to USD 2.7 billion, resulting in available liquidity of USD 2.0 billion within its existing credit facility and cash balances held.

Lundin Energy will recognise a net foreign exchange loss of approximately MUSD 84 for the fourth quarter of 2021. The Norwegian Krone was stable against the US Dollar and the Euro weakened by approximately two percent against the US Dollar during the fourth quarter of 2021. The foreign exchange loss is largely non-cash and mainly relates to the revaluation of loan balances at the prevailing exchange rates at the balance sheet date.

Hedging effectiveness

As a result of the AkerBP transaction, part of the outstanding foreign currency contracts and interest rate swap contracts are no longer considered as effective hedges under hedge effectiveness testing. The mark-to-market fair value of these ineffective contracts will be recognized as a non-cash item in the income statement for discontinued operations during the fourth quarter of 2021.

Change in inventory and under/overlift balances

Lundin Energy recognises income based on its sold volume (sales method). Consequently, changes in inventory and under/overlift balances are reported as an adjustment to cost valued at production cost, including depletion. During the fourth quarter of 2021, Lundin Energy was overlifted by 4.5 Mboepd.

Revenue from the crude oil sales from third parties

Lundin Energy markets its own crude oil production and at times markets crude oil from third parties. For the fourth quarter 2021, revenue from the sale of crude oil from third parties amounted to MUSD 72.8 offset by the purchase of crude oil from third parties of MUSD 72.5, resulting in a gross profit of MUSD 0.3 on third party activities for the fourth quarter 2021. The third party crude oil sales and purchase will be reported under discontinued operations.

2021 year end results and 2022 business update

Lundin Energy's financial report for the fourth quarter 2021, will be published on Tuesday, 1 February 2022 at 07:30 CET.

As a result of the announcement on 21 December 2021, in relation to the proposed transaction with Aker BP, Lundin Energy will no longer be hosting a 2022 Capital Markets presentation, instead the management team will present the financial results for the full year 2021 and a 2022 business update via a webcast at 14.00 CET on the 1 February 2022. Please follow the event live at www.lundin-energy.com or dial in using the following telephone numbers with the pin code shown below:

UK/International: +44 3333000804
Sweden: +46 856642651
Norway: +47 23500243
USA: +1 6319131422
Access Pin: 17161382
Webcast link: <https://edge.media-server.com/mmc/p/ifchzb4n>

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Lundin Energy is an experienced Nordic oil and gas company that explores for, develops and produces resources economically, efficiently and responsibly. We focus on value creation for our shareholders and wider stakeholders through three strategic pillars: Resilience, Sustainability and Growth. Our high quality, low cost assets mean we are resilient to oil price volatility, and our organic growth strategy, combined with our sustainable approach and commitment to decarbonisation, firmly establishes our leadership role in a lower carbon energy future. (Nasdaq Stockholm: LUNE). For more information, please visit us at www.lundin-energy.com or download our App www.myrapp.com/lundin

Forward-looking statements

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable securities legislation). Such statements and information (together, "forward-looking statements") relate to future events, including Lundin Energy's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities. Ultimate recovery of reserves or resources are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements should not be relied upon. These statements speak only as on the date of the information and Lundin Energy does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, operational

risks (including exploration and development risks), production costs, availability of drilling equipment, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. These risks and uncertainties are described in more detail under the heading “Risk management” and elsewhere in Lundin Energy’s Annual Report. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are expressly qualified by this cautionary statement.