

Update on first quarter 2022 financial results and audiocast details for the presentation on 27 April 2022

Lundin Energy AB (“Lundin Energy” or the “Company”) will publish its financial report for the first quarter 2022 on Wednesday, 27 April 2022. For the first quarter 2022, Lundin Energy will expense pre-tax exploration costs of approximately MUSD 22 and recognise a net foreign exchange loss of approximately MUSD 36.

Aker BP Combination

On 21 December 2021, Lundin Energy announced that it had entered into an agreement with Aker BP whereby Aker BP will absorb Lundin Energy’s E&P business through a cross-border merger in accordance with Norwegian and Swedish law (the “Combination”). Before the cross-border merger is effectuated, the shares in the company holding Lundin Energy’s E&P business (Lundin Energy MergerCo AB) will be distributed to Lundin Energy’s shareholders. Consequently Lundin Energy presents its E&P business as discontinued operations in the consolidated Income Statement and the asset and liabilities associated with the E&P business, are presented as assets and liabilities held for distribution.

Continuing operations

Once the Combination with Aker BP is completed, the remaining renewable focused 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 costs. The renewables business is expected to be free cash flow positive from late 2023, when the renewables portfolio has been fully built out and all projects are operational.

Discontinued Operations

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 first quarter of 2022, Lundin Energy will incur pre-tax exploration costs of approximately MUSD 22, which will be charged to the income statement and offset by a tax credit of approximately MUSD 17. The exploration costs are mainly related to the Melstein well in PL886 and relinquished licenses.

Foreign exchange loss

Lundin Energy will recognise a net foreign exchange loss of approximately MUSD 36 for the first quarter of 2022. The foreign exchange loss mainly relates to the Euro weakening by approximately two percent against the US Dollar and somewhat offset by the Norwegian Krone strengthening against the US Dollar. 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 Aker BP 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 are recognized as a non-cash item in the income statement for discontinued operations. Lundin Energy will recognize a gain on interest rate swap contracts of approximately MUSD 108 for the first quarter of 2022, as a result of rising interest rates during the quarter.

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 first quarter of 2022, Lundin Energy was overlifted by 9.1 Mboepd.

Depletion costs

Following the announcement of the Aker BP Combination on 21 December 2021 and the subsequent presentation of the asset and liabilities associated with the E&P business as assets and liabilities held for distribution, the Company ceased depletion as per IFRS5, resulting in no depletion costs recognized for the first quarter 2022.

Release of report and audiocast on 27 April 2022

Lundin Energy's financial report for the first quarter 2022 will be published on Wednesday 27 April at 07:30 CEST, followed by a live audiocast at 14:00 CEST, where Nick Walker, President and CEO and Teitur Poulsen, CFO will be commenting on the report and the latest developments in Lundin Energy.

Follow the presentation live on www.lundin-energy.com or dial in using the following telephone numbers:

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Access Pin: **62505911**
Webcast link: <https://edge.media-server.com/mmc/p/y8c5e7kc>

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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

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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), productions 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.