Lundin Energy

Q1

Report for the
THREE MONTHS
ended 31 March 2022

Lundin Energy AB (publ)
company registration number 556610-8055

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Highlights

- Combination of Lundin Energy's E&P business with Aker BP, to create the leading European independent E&P company, approved by shareholders from both companies, with completion of the transaction anticipated on 30 June 2022
- Johan Sverdrup Phase 2 processing platform successfully installed, with first oil firmly on track for the fourth quarter of 2022
- Record quarterly revenue of BUSD 1.98 with an achieved oil price of USD 104 per barrel
- Strong free cash flow of MUSD 822, operating costs in line with guidance at USD 3.7 per boe and net debt reduced to BUSD 2.1
- Quarterly dividend increased by 25 percent to USD 0.5625 per share, payable until completion of the Aker BP transaction, approved by the 2022 AGM
- Strong production performance of 191 Mboepd, towards the top of the guidance range for the quarter
- Five new projects, including the large Wisting development, heading towards sanction by the end of 2022
- Delivering on Lundin Energy's Decarbonisation Plan with the recent completion of the Company's first wind farm and electrification of Edvard Grieg on track for end 2022
- Launch of Lundin Energy Renewables business, which is positioned for growth, with Daniel Fitzgerald as the proposed CEO

Financial summary[1]

	1 Jan 2022- 31 Mar 2022 3 months	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Production in Mboepd	**191.4**	182.9	190.3
Revenue and other income in MUSD	**1,976.9**	1,111.9	5,484.7
CFFO in MUSD	**1,009.6**	750.2	3,058.0
Per share in USD	*3.55*	*2.64*	*10.75*
EBITDAX in MUSD	**1,888.5**	1,018.4	4,822.8
Per share in USD	*6.64*	*3.58*	*16.96*
Free cash flow in MUSD	**822.3**	526.2	1,645.5
Per share in USD	*2.89*	*1.85*	*5.79*
Net result in MUSD	**468.5**	68.9	493.8
Per share in USD	*1.65*	*0.24*	*1.74*
Adjusted net result in MUSD	**395.4**	149.8	795.7
Per share in USD	*1.39*	*0.53*	*2.80*
Net debt in MUSD	**2,062.2**	3,464.0	2,747.9

[1] All numbers in this table relate to continuing and discontinued operations combined. For a further breakdown between continuing and discontinued operations, reference is made to pages 29-30

Comment from Nick Walker, President and CEO of Lundin Energy AB:

"I'm pleased to report that the combination of Lundin Energy's E&P business with Aker BP, to create the leading European Independent E&P company, has now received approval from the shareholders of both companies. The combination is a tremendous deal, drawing on the best of both companies; creating a Norway pure play E&P company of scale, with production growth, a complementary portfolio of industry leading low cost and low carbon emissions assets, delivering sustainable and growing dividends into the next decade.

"For the Lundin Energy shareholders, the transaction delivers a significant up-front cash consideration, the opportunity to be a shareholder in the leading European E&P company and a retained interest in an exciting new renewables business that is positioned for growth, which will be led by a tremendous team with the Lundin entrepreneurial spirit. We anticipate that the transaction will be completed on 30 June 2022.

"In the meantime, our business continues to deliver on all fronts, with strong production and financial performance in the first quarter of 2022. Our world class assets continue to outperform, with production during the quarter towards the top of the guidance range and with industry leading low costs and low carbon emissions.

"Johan Sverdrup continues to exceed expectations. The Phase 2 processing platform was successfully installed on schedule and the project is on target to achieve first oil in the fourth quarter of 2022, which will boost production to 755 Mbopd gross.

"At the Greater Edvard Grieg Area, we see excellent reservoir performance from the recently completed projects and we're progressing a series of new projects towards sanction in this prolific area, which will further extend the production plateau.

"Our Decarbonisation Plan is making great progress, with the recent completion of our first wind farm in Finland and with everything now on track for the electrification of Edvard Grieg by the end of 2022.

“Financially we had a very strong quarter, with record revenue of BUSD 1.98, delivering significant free cash flow of MUSD 822, allowing us to further reduce net debt to BUSD 2.1, despite a significant build of working capital. This really shows the quality of our business, allowing us to provide an increased quarterly dividend, that will continue until completion of the Aker BP transaction.

“Our mission, in everything we do, is long-term value creation for shareholders and we’ve had a great start to the year. We continue to deliver very strong results and the transformation of our business with the combination with Aker BP and the establishment of an exciting new renewables energy business means we can look forward to many more years of value creation.”

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.myirapp.com/lundin

OPERATIONAL REVIEW

All the reported numbers and updates in the operational review relate to the three month period ending 31 March 2022 (reporting period), unless otherwise specified.

2022 Guidance

Production	180 to 200 Mboepd
Operating Cost	USD 3.6 per boe
Development expenditure	MUSD 520
Exploration and Appraisal expenditure	MUSD 230
Decommissioning expenditure	MUSD 10
Renewables Investments	MUSD 70

Continuing operations

Continuing operations represents Lundin Energy AB's onshore renewable energy portfolio in the Nordics, forming the platform for a new, renewables focused business positioned for growth. The Company has committed to three renewables projects that will constitute the core of the Company after completion of the combination with Aker BP. From late 2023 the net power generation capacity will be around 600 gigawatt hours (GWh) per annum. In addition, the Company retains certain non-Norwegian potential liabilities related to past operations.

Renewable Power Generation

The Company owns a 50 percent interest in the Leikanger hydropower plant in Norway, with the remaining 50 percent held and operated by Sognekraft AS. Leikanger delivered strong performance during the period with net production of 6.3 GWh, at an average power price of above EUR 135 per megawatt hour (MWh). As the asset is a river based hydropower plant, the production is forecast to increase in the second and third quarters due to snow melting during the spring and summer months and increasing precipitation in the autumn season. With the facility located in the NO5 price region, continued high power prices are forecasted for 2022.

Construction and commissioning activities at the Metsälamminkangas (MLK) wind farm in Finland were completed and the project achieved commercial handover at the end of the reporting period. The project was originally purchased from OX2 AB (publ) (OX2), who managed the construction phase alongside General Electric (GE) as the turbine supplier and contractor. The handover was originally planned for late fourth quarter 2021 and Lundin Energy has been financially compensated through liquidated damages for the entire delay period. The project is now operational at full capacity with 24 wind turbines generating an estimated gross production of 400 GWh per annum, with Lundin Energy holding a 50 percent interest in the asset. The wind farm is equipped with the latest technology, to ensure low cost and efficient operations and will be managed in the operations phase by OX2 under an availability warranty provided by GE, guaranteeing the availability from the turbines, through their operational life, giving the Company significant protection against downtime and outages.

Renewable Project Development

Construction activities at the Karskruv onshore wind farm project in southern Sweden are progressing on schedule, with the facility planned to be operational in late 2023. The project has been purchased from OX2, who are managing the construction and commissioning phase, alongside Vestas Wind Systems A/S as the turbine supplier and contractor. Lundin Energy holds a 100 percent interest in the asset and once operational, the 20 onshore wind turbines will add 290 GWh to the Company's annual net power production. With the asset situated in the high priced SE4 region in southern Sweden, it constitutes an important contribution to the Company's growth plans. The total investment in Karskruv, including the acquisition cost, will amount to MEUR 130, of which MEUR 40 has already been spent, with the remaining spend occurring in 2022 and 2023. The project is expected to be cash flow positive from late 2023.

Discontinued Operations

Discontinued operations represents all of Lundin Energy AB's E&P business.

Production

Production was 191.4 thousand barrels of oil equivalent per day (Mboepd), placing it towards the top end of the guidance range for the quarter, mainly driven by the outperformance of Edvard Grieg and high production efficiency at Johan Sverdrup. The Edvard Grieg field has been restarted after an unplanned shutdown at the end of the reporting period, where the field was shut in for approximately one month. The full year production guidance range remains unchanged at 180 to 200 Mboepd. Despite the outage on Edvard Grieg, the production forecast for the full year remains at or above the mid-point of the guidance range.

Operating costs, net of tariff income, for the period were USD 3.72 per boe, which is in line with guidance. Full year operating cost guidance remains USD 3.60 per boe.

Production in Mboepd	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Crude oil	176.9	170.0	177.4
Gas	14.5	12.9	12.9
Total production	**191.4**	182.9	190.3

Production in Mboepd	WI[1]	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Johan Sverdrup	20%	106.9	102.8	106.3
Greater Edvard Grieg Area[2]	65% - 80%	73.2	67.9	72.9
Ivar Aasen	1.385%	0.5	0.8	0.6
Alvheim Area	15% - 35%	10.8	11.4	10.5
Total Production		**191.4**	182.9	190.3

[1] Lundin Energy's working interest (WI)
[2] Consisting — Edvard Grieg, Solveig and Rolvsnes EWT

Johan Sverdrup Phase 1 delivered ahead of guidance with a production efficiency of 96 percent, including planned downtime preparing for installation of the Phase 2 processing platform. One production well was completed in the first quarter and drilling of subsea wells for Phase 2 has commenced. Operating costs of USD 2.22 per boe were slightly above guidance due to increased electricity prices. The carbon emission intensity for the first quarter of 2022 was 0.1 kg CO_2 per boe.

Edvard Grieg continued its strong performance in the first quarter of 2022, delivering ahead of guidance with a production efficiency of 92 percent. At the end of March 2022, Edvard Grieg experienced a power outage causing damage to electrical systems in the gas export system, resulting in a production outage for approximately one month. Production was restarted, post the reporting period in April 2022, and planned maintenance works due to take place in Q2 2022 were also completed during this outage. The 2021 infill wells are continuing to perform better than expected, and preparations are ongoing for the second phase of infill drilling, expected to commence in the first half of 2023. A further 4D seismic acquisition commenced during the reporting period, providing data to further understand field performance and to allow for optimal placement of the future infill wells. Operating costs were better than guidance at USD 5.10 per boe.

Development drilling on Solveig Phase 1 was completed in the first quarter 2022, below budget and ahead of schedule. Production on both Solveig and Rolvsnes Extended Well Test (EWT) was held back as a result of production optimization between the Edvard Grieg Area assets, due to the excess well capacity. Reservoir performance on Solveig is ahead of expectations and the Rolvsnes EWT continues to be in line with expectations.

Power from shore at Edvard Grieg is on track for completion in the fourth quarter of 2022. The new electric boilers have been installed on the Edvard Grieg platform and the power cable has been pulled into the Johan Sverdrup Phase 2 platform. The Company will benefit from a 10 percent increase in gas sales from Edvard Grieg and a significant reduction in CO_2 emissions compared to current levels, by the end of 2022; due to the removal of the gas turbine power generation.

Production from the Alvheim Area was ahead of guidance at 98 percent production efficiency. The infill programme was completed in February 2022, with the Kameleon West Infill well coming on stream. Operating costs were in line with guidance, at USD 7.65 per boe. The gas and water handling debottlenecking projects are progressing well, with expected completion during the second quarter of 2022.

Development

The development expenditure guidance remains unchanged at MUSD 520.

Project	WI	Operator	Estimated gross reserves	Production start	Expected gross plateau production
Johan Sverdrup Phase 2	20%	Equinor	2.2 — 3.2 Bn boe	Q4 2022	755 Mbopd[1]
Frosk	15%	Aker BP	9 MMboe	Q2 2023	13 Mboepd
Kobra East/Gekko (KEG)	15%	Aker BP	39 MMboe	Q1 2024	28 Mboepd
Wisting	35%	Equinor	500 MMbo	Q2 2028	150 Mbopd

[1] Johan Sverdrup full field

Johan Sverdrup Phase 2

The Johan Sverdrup Phase 2 development project is progressing well and was approximately 75 percent complete at the end of the reporting period, with completion of the critical activities for first oil at approximately 95 percent complete. The project involves a second processing platform bridge linked to the Phase 1 field centre, subsea facilities to access the Avaldsnes, Kvitsøy and Geitungen satellite areas of the field, implementation of full field water alternating gas injection (WAG) for enhanced recovery and the drilling of 28 additional wells. The drilling of the first subsea wells commenced in January 2022, and the Phase 2 topside processing platform and bridge connection were successfully installed offshore in March 2022. All subsea flowlines have been installed with tie-back to topside facilities expected to take place in the second quarter of 2022. Phase 2 production start is expected in fourth quarter of 2022. The Johan Sverdrup gross field reserves are in the range of 2.2 to 3.2 billion boe and the ambition of the partners in the field, is to achieve a recovery factor of more than 70 percent. The Phase 2 capital expenditure is estimated at gross NOK 41 billion (nominal), which is unchanged from the Phase 2 PDO estimate in 2019. Breakeven oil price for the full field project is less than USD 15 per boe.

Greater Edvard Grieg Area Tie-Back Projects

Solveig Phase 2 is targeting additional resources from supplementary segments of the Solveig field. Production experience from Phase 1 plays an important role in the maturation of the project. The project is progressing according to schedule, with project sanction expected by year end 2022.

The Rolvsnes full field development uses the production experience from the Extended Well Test to further develop the weathered and fractured reservoir found on Rolvsnes. A production logging test has been approved in the licence and will be performed in mid-2022. Together with the production experience, this will provide important data to support the concept select phase.

The Lille Prinsen field is located north of Edvard Grieg and is planned to be a subsea tie-back directly to the Edvard Grieg or Ivar Aasen facilities. The development is targeting an initial gross resource potential of 12-60 MMboe and the field also holds a potential upside in basement, in which synergies with Rolvsnes is being used in the maturation of the associated volumes.

All three projects are progressing well with a target of PDO submission in late 2022. These projects will add high margin barrels and contribute to sustaining production and extending plateau production at the Edvard Grieg facility.

Wisting

The Wisting project is scheduled to be one of the next Barents Sea production hubs and will be a significant contributor to sustaining the Company's long term production profile. The estimated volumes at Wisting amounts to approximately 500 MMbo, with further upsides in nearby exploration targets amounting to a further 500 MMbo. The project is progressing as planned, with FEED studies ongoing and on track for PDO submission by end 2022, allowing the project to benefit from the temporary tax incentives established by the Norwegian Government in June 2020. The Wisting project has strong economics, and the development plan is aligned with Lundin Energy's Decarbonisation Plan, with a power from shore solution being matured as part of the PDO. In addition, in December 2021, Lundin Energy concluded a cooperation agreement with Equinor for the Wisting development, whereby Equinor will retain operatorship of the Wisting development into the operations phase.

Alvheim Area Tie-Back Projects

The PDO for the joint development of Kobra East and Gekko (KEG) was approved in February 2022. The development will be a subsea tie-back to the Alvheim FPSO and phase one of the development will include four tri-lateral production wells targeting the oil zones of the two discoveries. Phase two of the development consists of a gas production well targeting the gas cap at Gekko, which will be drilled at a later stage once gas processing capacity is available on the Alvheim FPSO. Drilling operations are expected to commence in early 2023, with first oil planned in the first quarter of 2024. Total gross 2P reserves for the project amount to 39 MMboe and the development will provide gross peak production of approximately 28 Mboepd. This project will be developed under the Norwegian temporary tax regime and has a breakeven oil price of less than USD 30 per boe. The project is approximately 10 percent complete.

The Frosk development will be a subsea tie-back to the Alvheim FPSO through the existing Bøyla Manifold. The development includes the drilling of two new wells. Drilling operations are expected to commence in the third quarter of 2022, with first oil planned in the first half of 2023. Total gross reserves for the project amount to approximately 9 MMboe and the development will provide gross peak production of approximately 13 Mboepd, with a breakeven oil price of less than USD 25 per boe. The PDO was submitted in 2021.

The field development and concept select studies are progressing well on Trell and Trine with an aim to submit the PDO by mid 2022. The project is planned as a subsea tie-back to the existing East Kameleon manifold and the Alvheim FPSO. Drilling is expected to follow back-to-back of the KEG development.

Exploration and Appraisal

The 2022 exploration and appraisal programme consists of six wells, of which five are remaining and are targeting approximately 140 MMboe net unrisked resources. The total exploration and appraisal expenditure for 2022 is expected to be MUSD 230 in line with guidance.

2022 Exploration and Appraisal Well Programme

Licence	Operator	WI	Well	Spud Date	Status
PL886	Lundin Energy	40%	Melstein	January 2022	Dry
PL929	Neptune	10%	Ofelia	Third Quarter 2022	
PL1104	Equinor	40%	Poseidon	Third Quarter 2022	
PL935	ConocoPhillips	20%	Bounty	Third Quarter 2022	
PL229 G	Vår Energi	50%	Lupa	Fourth Quarter 2022	
PL265	Equinor	7%	P-Graben	Fourth Quarter 2022	

Decarbonisation

The Company's Decarbonisation Plan continues to be on track, with approximately 95 percent of production set to be electrified using power from shore by the end of 2022. This will bring the Company's net Scope 1 and 2 carbon intensity to approximately 1 kg CO_2 per boe and will result in an absolute reduction in operational emissions of over 50 percent, from 2020 levels.

Net Scope 1 and 2 carbon intensity was 2.9 kg CO_2 per boe, well below the Company's target of less than 4 kg CO_2 per boe. Approximately 60 percent of production was certified as carbon neutrally produced under Intertek's CarbonZero™ certification. This is equivalent to all Lundin Energy's net production from the Johan Sverdrup field.

As part of the Company's Decarbonisation Plan, approximately 350,000 trees were planted in Spain during the period. A total of approximately 830,000 trees have been planted since January 2021, covering over 10 square km. The Company has committed to plant approximately eight million trees by end 2025 to neutralise residual carbon emissions from its operations.

During the period, Moody's ESG Solutions rated Lundin Energy's ESG performance as "Advanced", with the Company ranking third in the upstream sector globally.

Decommissioning

The Gaupe field ceased production in 2018 and preparation of the decommissioning plan for the field is ongoing, with decommissioning activities expected to commence in 2023. Post the Gaupe decommissioning, the Company has no further planned decommissioning spend until around 2035. The decommissioning expenditure in 2022 is expected to be MUSD 10.

Licence Awards and Transactions

In January 2022, Lundin Energy was awarded 10 licences in the 2021 APA round, of which five are as operator.

In January 2022, the Company entered into a sales and purchase agreement with MOL involving the acquisition of a 10 percent working interest in licences PL102F and PL102G, which includes the Trell discovery and Trell Nord prospect. The agreement increases the Company's working interest to 12.84 percent in the Trell & Trine Unit. The transaction is subject to customary government approvals.

The Company currently holds 91 licences in Norway.

Health, Safety and Environment

During the reporting period, no personnel injuries were recorded, resulting in Lost Time and Total Recordable Incident Rates of zero per million hours worked. During the reporting period there was one near miss dropped object serious incident in relation to drilling operations on the West Bollsta drilling rig and there were no material environmental incidents.

FINANCIAL REVIEW

Aker BP transaction

On 21 December 2021, Lundin Energy announced that it had entered into an agreement (the transaction) 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. 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 presented its E&P business as discontinued operations in the consolidated Income Statement and presented the asset and liabilities associated with the E&P business as assets and liabilities held for distribution in the consolidated Balance Sheet. Once the transaction with Aker BP 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 costs. 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.

Under the agreement with Aker BP, in exchange for Lundin Energy's E&P business, shareholders will be entitled to a cash consideration totalling BUSD 2.22 (approximately SEK 71.0 per share after conversion from USD at 20 December 2021 exchange rates), 271,910,019 Aker BP shares (representing 0.95098 Aker BP share for every 1 Lundin Energy share, equivalent to SEK 279.3 per share at 20 December 2021) and will retain their existing shareholding in Lundin Energy and its renewables business. Accordingly following the completion of the transaction, the shareholders of Lundin Energy will hold 43 percent of the total shares and votes of Aker BP.

On 15 February 2022, Lundin Energy published the merger plan for the combination of the two companies, followed by a presentation on the outlook for the remaining, renewables focused Company post completion on 7 March 2022. The Exemption Document in relation to the combination with Aker BP was published on 9 March 2022. The transaction was approved by shareholders at the AGM on 31 March 2022 and by the shareholders of Aker BP's AGM on 5 April 2022. Completion of the Aker BP transaction is expected to take place on 30 June 2022, which would result in no further dividend payments from Lundin Energy, as the quarterly dividend is conditional upon that the Company owns all shares in Lundin Energy MergerCo AB (publ) on the record date of the quarterly cash dividend. Following completion of the transaction with Aker BP, Lundin Energy's shareholders will become shareholders of Aker BP, with Aker BP's next quarterly dividend expected to be paid during the third quarter 2022. Information in regards to the transaction, the share exchange process and dividends, will become available on the Company's webpage during May 2022.

Result

The numbers in this financial review section refer to the continuing and discontinued operations combined unless stated otherwise. For a further breakdown between continuing and discontinued operations of the key financial data, reference is made to pages 29-30.

The Company generated record high quarterly revenue and other income of MUSD 1,976.9 (MUSD 1,111.9) with the increase compared to the comparative period driven by higher oil and gas prices partly offset by lower sales volumes. Realised prices per boe increased by 82 percent compared to the comparative period with realised gas prices for the quarter being more than four times higher compared to the first quarter 2021. Sales volumes decreased by 2 percent compared to the comparative period.

The net result for the reporting period amounted to MUSD 468.5 (MUSD 68.9), representing earnings per share of USD 1.65 (USD 0.24). Net result was driven by the higher revenue and other income, ceased depletion since 21 December 2021 following the classification of the E&P business as held for distribution, lower exploration costs, a lower largely non-cash foreign currency exchange loss, a largely non-cash gain on ineffective interest rate swap contracts and higher income tax charges. Adjusted net result for the reporting period amounted to MUSD 395.4 (MUSD 149.8), representing adjusted earnings per share of USD 1.39 (USD 0.53). Adjusted net result separates out the effects of foreign currency exchange results, ineffective interest rate hedge contracts and other non recurring finance costs, and the tax impacts from these items and better reflects the net result generated by the Company's operational performance for the reporting period. Adjusted net result for the reporting period represented a record high quarterly adjusted net result for the Company partly caused by ceased depletion since 21 December 2021 following the classification of the E&P business as held for distribution.

The Company generated earnings before interest, tax, depletion, amortization and exploration expenses (EBITDAX) for the reporting period of MUSD 1,888.5 (MUSD 1,018.4) representing EBITDAX per share of USD 6.64 (USD 3.58), with the increase compared to the comparative period mainly caused by the higher oil and gas prices. EBITDAX for the reporting period represented a record high quarterly EBITDAX for the Company. Cash flow from operating activities (CFFO) for the reporting period amounted to MUSD 1,009.6 (MUSD 750.2), representing CFFO per share of USD 3.55 (USD 2.64) with the increase compared to the comparative period, again impacted by higher oil and gas prices, but negatively impacted by working capital changes and higher tax payments during the reporting period. Free cash flow for the reporting period amounted to MUSD 822.3 (MUSD 526.2), representing free cash flow per share of USD 2.89 (USD 1.85), with the increase compared to the comparative period mainly impacted by higher CFFO. Driven by the strong free cash flow generation during the reporting period, the Company reduced its net debt from MUSD 2,747.9 as per the end of 2021 to MUSD 2,062.2 as per the end of the reporting period, a reduction of approximately BUSD 0.7.

Changes in the Group

On 21 December 2021, Lundin Energy announced the transaction with Aker BP as mentioned above resulting in the E&P business presented as discontinued operations in the consolidated Income Statement and the asset and liabilities associated with the E&P business presented as assets and liabilities held for distribution in the consolidated Balance Sheet. Completion is expected to take place on 30 June 2022.

Revenue and other income

Revenue and other income for the reporting period amounted to MUSD 1,976.9 (MUSD 1,111.9) and was comprised of net sales of oil and gas and other revenue as detailed in Note 4. Revenue and other income fully related to the discontinued operations.

Net sales of oil and gas for the reporting period amounted to MUSD 1,969.2 (MUSD 1,106.9). The average price achieved by Lundin Energy for a barrel of oil equivalent (boe) from own production, amounted to USD 109.15 (USD 59.94) and is detailed in the following table. The average gas price achieved during the reporting period for a barrel of oil equivalent (boe) amounted to USD 194.23 (USD 44.11), more than four times higher compared to the comparative period. The average Dated Brent price for the reporting period amounted to USD 102.23 (USD 61.12) per barrel.

Net sales of oil and gas from own production for the reporting period are detailed in Note 6 and were comprised as follows:

Sales from own production Average price per boe expressed in USD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Crude oil sales			
- Quantity in Mboe	16,315.0	17,069.1	65,381.1
- Average price per bbl	*104.07*	*61.10*	*69.36*
Gas and NGL sales			
- Quantity in Mboe	1,727.1	1,397.9	6,281.8
- Average price per boe	*157.05*	*45.75*	*88.10*
Total sales			
- Quantity in Mboe	**18,042.1**	18,467.0	71,662.9
- Average price per boe	***109.15***	*59.94*	*71.01*

The table above excludes crude oil revenue from third party activities.

There were no sales of crude oil from third party activities during the reporting period. Revenue from sale of oil and gas is recognised when control of the products is transferred to the customer.

Other income for the reporting period amounted to MUSD 7.7 (MUSD 5.0) and mainly included tariff income of MUSD 4.5 (MUSD 6.1), which is due to net income from Ivar Aasen tariffs paid to Edvard Grieg. Other income for the comparative period also included a loss of MUSD 2.7 relating to short-term oil price derivatives.

Production costs

Production costs including under/over lift movements and inventory movements for the reporting period amounted to MUSD 77.4 (MUSD 80.9) and are detailed in Note 5. Production costs fully related to the discontinued operations. The total production cost per barrel of oil equivalent produced is detailed in the table below:

Production costs	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Cost of operations			
- In MUSD	48.5	37.3	167.5
- In USD per boe	*2.82*	*2.27*	*2.41*
Tariff and transportation expenses			
- In MUSD	20.0	15.7	71.9
- In USD per boe	*1.16*	*0.95*	*1.03*
Operating costs			
- In MUSD	**68.5**	53.0	239.4
- In USD per boe[1]	**3.98**	*3.22*	*3.44*
Change in under/over lift position			
- In MUSD	7.5	14.4	7.9
- In USD per boe	*0.43*	*0.88*	*0.11*
Change in inventory position			
- In MUSD	-0.6	11.8	11.5
- In USD per boe	*-0.04*	*0.72*	*0.17*
Other			
- In MUSD	2.0	1.7	6.5
- In USD per boe	*0.12*	*0.10*	*0.09*
Production costs			
- In MUSD	**77.4**	80.9	265.4
- In USD per boe	**4.49**	*4.92*	*3.81*

Note: USD per boe is calculated by dividing the cost by total production volume for the period.
[1] The numbers in this table are excluding tariff income netting. Lundin Energy's operating cost for the reporting period of USD 3.98 (USD 3.22) per barrel is reduced to USD 3.72 (USD 2.85) when tariff income is netted off.

The total cost of operations for the reporting period amounted to MUSD 48.5 (MUSD 37.3) and the total cost of operations excluding operational projects amounted to MUSD 46.6 (MUSD 35.8). The cost of operations per barrel for the reporting period amounted to USD 2.82 (USD 2.27) including operational projects and USD 2.70 (USD 2.18) excluding operational projects. The higher unit costs compared to the comparative period are mainly caused by higher electricity prices and environmental taxes.

Tariff and transportation expenses for the reporting period amounted to MUSD 20.0 (MUSD 15.7) or USD 1.16 (USD 0.95) per boe. The increase on a per barrel basis compared to the comparative period is caused by some increases in crude and gas unit tariffs.

Sales quantities in a period can differ from production quantities as a result of permanent and timing differences. Timing differences can arise due to under/over lift of entitlement, inventory, storage and pipeline balances effects. The change in under/over lift position is valued at production cost including depletion cost, and amounted to MUSD 7.5 (MUSD 14.4) in the reporting period due to the timing of the cargo liftings compared to production. The change in inventory position is also valued at production cost including depletion cost, and amounted to MUSD -0.6 (MUSD 11.8) in the reporting period with the change in inventory position in the comparative period caused by a cargo in transit at the end of 2020 that was sold in early 2021. Sales quantities and production quantities are detailed in the table below:

Change in over/underlift position In Mboepd	**1 Jan 2022-** **31 Mar 2022** **3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Production volumes	191.4	182.9	190.3
Inventory movements	—	7.0	1.7
Production volumes including inventory movements	**191.4**	189.9	192.0
Sales volumes from own production	200.5	205.2	196.3
Change in over/underlift position	**-9.1**	-15.3	-4.3

Other costs for the reporting period amounted to MUSD 2.0 (MUSD 1.7) and related to the business interruption insurance.

Depletion and decommissioning costs

Depletion and decommissioning costs for the reporting period amounted to MUSD — (MUSD 171.0), at an average rate of USD 10.38 per boe for the comparative period which fully related to the discontinued operations. Following the announcement of the Aker BP transaction on 21 December 2021 and the subsequent reclassification of the E&P business as assets and liabilities held for distribution in the consolidated Balance Sheet, the company ceased depletion as per IFRS5 from the date of the deal announcement on 21 December 2021.

Exploration costs

Exploration costs expensed in the income statement for the reporting period amounted to MUSD 21.9 (MUSD 80.7) and fully related to the discontinued operations. Exploration and appraisal costs are capitalised as they are incurred. When exploration and appraisal drilling is unsuccessful, the capitalised costs are expensed. All capitalised exploration costs are reviewed on a regular basis and are expensed when facts and circumstances suggest that the carrying value of an exploration and evaluation asset may exceed its recoverable amount.

Purchase of crude oil from third parties

Purchase of crude oil from third parties for the reporting period amounted to MUSD — (MUSD —). Purchase of crude oil from third parties related to crude oil purchased from outside the Group and fully related to the discontinued operations.

General, administrative and depreciation expenses

The general administrative and depreciation expenses for the reporting period amounted to MUSD 11.0 (MUSD 14.4) of which MUSD 4.8 (MUSD 7.5) related to the continuing operations and MUSD 6.2 (MUSD 6.9) to the discontinued operations. The general administrative and depreciation expenses included a charge of MUSD 1.5 (MUSD 1.5) in relation to the Group's long-term incentive plans (LTIP), see also Remuneration section on page 13.

Finance income

Finance income for the reporting period amounted to MUSD 109.5 (MUSD 0.6) of which MUSD 0.5 (MUSD 0.2) related to the continuing operations and MUSD 109.0 (MUSD 0.4) to the discontinued operations and is detailed in Notes 1 and 7.

The result on interest rate hedges for the reporting period amounted to a gain of MUSD 108.6 (MUSD -16.6), as a result of the higher LIBOR rate of which MUSD 125.1 was non-cash. As a result of the announced Aker BP transaction, all outstanding interest rate hedge contracts are no longer considered effective under hedge effectiveness testing.

Finance costs

Finance costs for the reporting period amounted to MUSD 66.4 (MUSD 119.3) of which MUSD — (MUSD 0.2) related to the continuing operations and MUSD 66.4 (MUSD 119.1) to the discontinued operations and is detailed in Notes 2 and 8.

The net foreign currency exchange loss for the reporting period amounted to MUSD 36.0 (MUSD 80.8). Foreign exchange movements occur on the settlement of transactions denominated in foreign currencies and the revaluation of working capital and loan balances to the prevailing exchange rate, at the balance sheet date where those monetary assets and liabilities are held in currencies other than the functional currencies of the Group's reporting entities. Lundin Energy is exposed to exchange rate fluctuations relating to the relationship between US Dollar and other currencies. Lundin Energy has entered into derivative financial instruments to address this exposure for exchange rate fluctuations for capital expenditure amounts and Corporate and Special Petroleum Tax amounts. For the reporting period, the net realised exchange gain on these settled foreign exchange instruments amounted to MUSD 3.2 (MUSD 8.7). As a result of the announced Aker BP transaction, part of the outstanding foreign currency exchange instruments are no longer considered effective under hedge effectiveness testing resulting in a non-cash charge to the income statement of MUSD 2.0 based on the marked-to-market foreign exchange rates as of 31 March 2022.

The US Dollar strengthened two percent against the Euro during the reporting period, resulting in a net foreign currency exchange loss on the US Dollar denominated external loan, which is borrowed by a subsidiary using Euro as functional currency and generating a net foreign currency exchange loss on an intercompany loan balance denominated in US Dollar, which is also borrowed by a subsidiary using Euro as functional currency. In addition, the Norwegian Krone strengthened three percent against the Euro during the reporting period, generating a net foreign currency exchange gain on an intercompany loan balance denominated in Norwegian Krone.

Interest expenses for the reporting period amounted to MUSD 13.1 (MUSD 12.5) and represented the portion of interest charged to the income statement. An additional amount of interest of MUSD 5.3 (MUSD 5.2), mainly associated with the funding of the Norwegian development projects was capitalised during the reporting period. The total interest expenses for the reporting period increased compared to the comparative period as a result of a higher LIBOR rate partly offset by a lower average outstanding debt relative to the comparative period.

The amortisation of the deferred financing fees for the reporting period amounted to MUSD 2.0 (MUSD 2.3) and related to the expensing of the fees incurred in establishing the credit facility and issuing the Senior Notes over the period of usage of the facility and Senior Notes.

Loan facility commitment fees for the reporting period amounted to MUSD 1.8 (MUSD 1.8) and related to commitment fees for the undrawn amounts under the revolving corporate credit facility.

Share in result of joint ventures

Share in result of joint ventures for the reporting period amounted to MUSD 1.8 (MUSD -0.1) and related to the 50 percent non-operated interests in the Metsälamminkangas (MLK) wind farm project in Finland and the Leikanger hydropower project in Norway. Share in result of joint ventures fully related to the continuing operations.

Tax

The overall tax charge for the reporting period amounted to MUSD 1,443.0 (MUSD 577.2) and fully related to the discontinued operations and is detailed in Note 9.

The current tax charge for the reporting period amounted to MUSD 1,330.6 (MUSD 507.0) and mainly related to Norway. The current tax charge for Norway for the reporting period related to both Corporate Tax and Special Petroleum Tax (SPT). The paid tax installments in Norway during the reporting period amounted to MUSD 508.7, which has in combination with the current tax charge for the reporting period and exchange rate movements resulted in an increase in current tax liabilities, compared to end 2021, from MUSD 1,573.7 to MUSD 2,417.9.

On 19 June 2020, certain temporary changes in the Norwegian Petroleum Tax Law were enacted. The temporary changes allow investments incurred in 2020 and 2021 to be fully deducted against SPT in the year of investment compared to a six year linear depreciation for the ordinary tax regime. There is a further deduction available against the SPT in the form of an uplift. For the years 2020 and 2021, the uplift has been changed to 24 percent of the investment incurred in the year and is fully deductible in the year the investment is incurred, versus the previous uplift treatment which stipulated that the investment incurred during the year qualified for an uplift of 5.2 percent annually over four years (i.e. 20.8 percent uplift). The temporary changes in the Petroleum Tax Law also apply for Plan for Development and Operations (PDO) submitted within 2022.

In August 2021, the Norwegian Government has further proposed to revise the SPT system as of 2022, replacing the rules on depreciation and uplift with immediate investment expensing (cash-flow tax). A white paper published in April 2022 by the current Government keeps the suggested changes. Ordinary company tax is deductible in the SPT basis, thus the SPT rate is increased to 71.8%. The combined effective tax rate for corporation tax and SPT remains unchanged at 78%. The temporary changes described above still apply for PDO's submitted within 2022. The uplift rate was reduced from 24% to 18.72% in the August proposal due to the increased SPT rate and has been further reduced to 17.69% in the published white paper.

The deferred tax charge for the reporting period amounted to MUSD 112.4 (MUSD 70.2) and related to Norway. A deferred tax amount arises primarily where there is a difference in depletion for tax and accounting purposes.

The Group operates in various countries and fiscal regimes where corporate income tax rates are different from the regulations in Sweden. Corporate income tax rates for the Group vary between 13.7 and 78 percent. The effective tax rate for the reporting period is affected by items which do not receive a full tax credit such as the reported net foreign currency exchange results, Norwegian financial items and by the uplift allowance applicable in Norway for development expenditures against the offshore tax regime. The effective tax rate for the reporting period was mainly impacted by the reported foreign currency exchange loss and the gain on interest rate hedge contracts which are no longer considered effective under hedge effectiveness testing. The effective tax rate on the adjusted net results for the reporting period amounted to 79 percent.

Balance Sheet - Continuing operations

Non-current assets

Renewable energy properties amounted to MUSD 44.9 (MUSD 31.5) and related to the fully consolidated 100 percent interest in the Karskruv onshore wind farm project in southern Sweden.

Investments in joint ventures amounted to MUSD 119.5 (MUSD 108.7) and related to the 50 percent interest in the Metsälamminkangas (MLK) wind farm project in Finland and the 50 percent interest in the Leikanger hydropower project in Norway which are not fully consolidated and reported as investments in joint ventures.

Receivables from joint ventures amounted to MUSD 33.4 (MUSD 35.1) and related to long term interest bearing loans provided to the joint ventures holding the investments in the Metsälamminkangas (MLK) wind farm project in Finland and the Leikanger hydropower project in Norway.

The net investments by the Company in the renewable energy business, part through its joint ventures, for the reporting period was at follows:

Renewables investments In MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Karskruv Windfarm — Sweden	14.2	—	30.9
MLK Windfarm — Finland	5.1	5.5	41.0
Leikanger Hydropower — Norway	2.7	0.6	1.2
Natural Carbon Capture	1.4	0.5	5.6
Renewables investments	**23.4**	6.6	78.7

The Natural Carbon Capture projects as included in the table will be part of the discontinued operations.

Current assets

Assets held for distribution amounted to MUSD 8,066.8 (MUSD 7,468.2) and is detailed in Note 3.

Trade and other receivables amounted to MUSD 9.8 (MUSD 5.3) and related mainly to working capital balances within the continuing operations.

Receivable from discontinued operations amounted to MUSD — (MUSD 128.6) and equalled in the comparative period the remaining dividend liability as approved by the AGM held on 30 March 2021 in Stockholm which was paid in quarterly instalments. The quarterly dividend as approved by the AGM held on 31 March 2022 in Stockholm, which is conditional upon that the Company owns all shares in Lundin Energy MergerCo AB (publ) on the record date for the quarterly cash dividend, is recognised as dividend liability on the record date if this condition is met. The dividend liability for the first quarterly dividend payment is therefore recognised on 4 April 2022 and the discontinued operations have committed to fund the dividend.

Cash and cash equivalents amounted to MUSD 130.0 (MUSD 130.0) and related to the cash balance which will be retained by the continuing operations to cover capital expenditure and other costs. 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.

Current liabilities
Liabilities held for distribution amounted to MUSD 9,310.8 (MUSD 9,194.0) and is detailed in Note 3.

Dividends amounted to MUSD — (MUSD 128.6) and related in the comparative period to the remaining cash dividend approved by the AGM held on 30 March 2021 in Stockholm, paid in quarterly instalments. The quarterly dividend as approved by the AGM held on 31 March 2022 in Stockholm, which is conditional upon that the Company owns all shares in Lundin Energy MergerCo AB (publ) on the record date for the quarterly cash dividend, is recognised as dividend liability on the record date if this condition is met. The dividend liability for the first quarterly dividend payment is therefore recognised on 4 April 2022.

Trade and other payables amounted to MUSD 4.2 (MUSD 4.2) and related mainly to working capital balances within the continuing operations.

Balance Sheet - Discontinued operations

Assets held for distribution
Oil and gas properties amounted to MUSD 6,463.6 (MUSD 6,222.2) and are detailed in Note 10. Oil and gas properties included Right of use assets as per IFRS16 and amounted to MUSD 11.8 (MUSD 5.3) relating to drilling rigs recognised under IFRS 16.

Development, exploration and appraisal expenditure incurred for the reporting period was as follows:

Development expenditure In MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Norway	121.2	156.7	738.4
Development expenditure	**121.2**	156.7	738.4

Development expenditure of MUSD 121.2 (MUSD 156.7) was incurred in Norway during the reporting period, primarily on the Johan Sverdrup, Edvard Grieg and Solveig fields. In addition an amount of MUSD 5.3 (MUSD 5.2) of interest was capitalised.

Exploration and appraisal expenditure In MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Norway	48.1	64.7	300.6
Exploration and appraisal expenditure	**48.1**	64.7	300.6

Exploration and appraisal expenditure of MUSD 48.1 (MUSD 64.7) was incurred in Norway during the reporting period, which included the exploration and appraisal wells as summarised on page 6.

Other tangible fixed assets amounted to MUSD 41.1 (MUSD 42.0) and are detailed in Note 11. Other tangible fixed assets included Right of use assets as per IFRS 16 and amounted to MUSD 26.2 (MUSD 27.2).

Goodwill associated with the accounting for the Edvard Grieg transaction during 2016 amounted to MUSD 128.1 (MUSD 128.1).

Financial assets amounted to MUSD 12.8 (MUSD 12.7) and are detailed in Note 12. The sale of 2.6 percent of Johan Sverdrup during 2019 included a contingent consideration based on future reserve reclassifications and is due in 2026. This contingent consideration was fair valued by the Company.

Inventories amounted to MUSD 55.6 (MUSD 55.7) and included both well supplies and hydrocarbon inventories.

Trade and other receivables amounted to MUSD 799.3 (MUSD 657.2) and are detailed in Note 13. Trade receivables, which are all current, amounted to MUSD 573.5 (MUSD 523.9). Underlift amounted to MUSD 6.6 (MUSD 23.2) and was attributable to an underlift position on the producing fields, mainly relating to oil from the Edvard Grieg field. Joint operations debtors relating to various joint venture receivables amounted to MUSD 24.6 (MUSD 36.2). Prepaid expenses and accrued income amounted to MUSD 186.9 (MUSD 68.7) and included MUSD 151.5 (MUSD 44.2) related to cargo liftings during the reporting period not yet invoiced and prepaid operational and insurance expenditure. Other current assets amounted to MUSD 7.7 (MUSD 5.2).

Derivative instruments amounted to MUSD 91.1 (MUSD 18.5) and related to the marked-to-market valuation of outstanding interest rate and currency hedge contracts.

Current tax assets amounted to MUSD 7.4 (MUSD 9.7) and related to tax payments outside Norway which are expected to be recovered in the future.

Cash and cash equivalents amounted to MUSD 467.8 (MUSD 322.1). Cash balances are mainly held to meet ongoing operational funding requirements as well as to provide headroom liquidity.

Liabilities held for distribution
Bonds amounted to MUSD 1,980.9 (MUSD 1,979.9) and are detailed in Note 14. The Company issued USD 2 billion of Senior Notes in June 2021 consisting of USD 1 billion 2.0% Senior Notes due in 2026 at a price equal to 99.827 percent and USD 1 billion 3.1% Senior Notes due in 2031 at a price equal to 99.81 percent with interest payable semi-annually. Capitalised financing fees relating to the bonds issuance amounted to MUSD 15.9 (MUSD 16.7) and are being amortised over the expected life of the bonds.

Financial liabilities amounted to MUSD 698.5 (MUSD 1,231.6) and are detailed in Note 15. Bank loans amounted to MUSD 660.0 (MUSD 1,200.0) and related to outstanding loans under the corporate credit facility. The Company repaid USD 0.6 billion of the corporate credit facility term loans during the reporting period. Capitalised financing fees relating to the establishment of the credit facility amounted to MUSD 1.2 (MUSD 2.4) and are being amortised over the expected life of the facility. The lease commitments amounted to MUSD 39.7 (MUSD 34.0) and related to the lease commitments under IFRS 16.

Provisions amounted to MUSD 709.4 (MUSD 664.7) and are detailed in Note 16. The provision for site restoration amounted to MUSD 690.4 (MUSD 650.8) and related to the future decommissioning obligations. The provision for Lundin Energy's Unit Bonus Plan amounted to MUSD 14.8 (MUSD 10.3).

Deferred tax liabilities amounted to MUSD 3,259.9 (MUSD 3,120.6). The provision mainly arises on the excess of book value over the tax value of oil and gas properties. Deferred tax assets are netted off against deferred tax liabilities where they relate to the same jurisdiction.

Trade and other payables amounted to MUSD 206.9 (MUSD 404.2) and are detailed in Note 17. Trade payables amounted to MUSD 17.1 (MUSD 80.4). Overlift amounted to MUSD 18.0 (MUSD 27.0) and was attributable to an overlift position on the producing fields, mainly relating to oil from the Solveig field. Joint operations creditors and accrued expenses amounted to MUSD 138.8 (MUSD 209.0) and related to activity in Norway. Other accrued expenses amounted to MUSD 24.9 (MUSD 63.7) and other current liabilities amounted to MUSD 8.1 (MUSD 24.1).

Derivative instruments amounted to MUSD 37.3 (MUSD 90.7) and related to the marked-to-market valuation of outstanding interest rate and currency hedge contracts.

Current tax liabilities amounted to MUSD 2,417.9 (MUSD 1,573.7) and related to Norway. The current tax liabilities have increased during the reporting period mainly due to a current tax charge for the reporting period of MUSD 1,330.6 partly offset by cash tax payments of MUSD 508.7 during the reporting period.

Payables to continuing operations amounted to MUSD — (MUSD 128.6) and equalled in the comparative period the remaining dividend liability as approved by the AGM held on 30 March 2021 in Stockholm which is paid in quarterly instalments. The quarterly dividend as approved by the AGM held on 31 March 2022 in Stockholm, which is conditional upon that the Company owns all shares in Lundin Energy MergerCo AB (publ) on the record date for the quarterly cash dividend, is recognised as dividend liability on the record date if this condition is met. The dividend liability for the first quarterly dividend payment is therefore recognised on 4 April 2022 and the discontinued operations have committed to fund the dividend.

Statement of Cash Flows

Changes in working capital

Changes in working capital for the reporting period, as included in the consolidated statement of cash flows, amounted to MUSD -321.7 (MUSD -134.5). Working capital increases mainly related to higher receivables at the end of the reporting period as a result of increasing oil and gas prices, in combination with lower payables.

Parent Company

The business of the Parent Company is investment in and management of oil and gas assets and renewable energy projects. The net result for the Parent Company for the reporting period amounted to MSEK -58.9 (MSEK 4,402.1). The net result for the comparative period included MSEK 4,467.2 financial income as a result of received dividends from a subsidiary. The net result excluding received dividends amounted to MSEK -58.9 (MSEK -65.1).

The net result for the reporting period included general and administrative expenses of MSEK 62.7 (MSEK 75.9) and net finance costs of MSEK 3.7 (MSEK -0.9) when excluding the received dividends as mentioned above.

Related Party Transactions

Lundin Energy recognises the following related parties: associated companies, jointly controlled entities, key management personnel and members of their close family or other parties that are partly, directly or indirectly controlled by key management personnel or of its family or of any individual that controls, or has joint control or significant influence over the entity.

During the second quarter of 2021, the Group entered into a sponsorship agreement with Team Tilt SA, a Swiss sailing racing team, for their participation in the SailGP high-speed racing catamaran series. The sponsorship agreement spans over three years, with an annual payment of between MUSD 2.6 to MUSD 3.5, with the first payment made in the fourth quarter of 2021.

Team Tilt SA's majority owner is Sebastien Schneiter, an internationally recognised sailor who has represented Switzerland at European, World and Olympic events. Sebastien Schneiter is a close family member of the Company's current Board member and former CEO Alex Schneiter.

Liquidity

In June 2021, Lundin Energy issued USD 2 billion of Senior Notes consisting of USD 1 billion 2.0% Senior Notes due in 2026 at a price equal to 99.827 percent and USD 1 billion 3.1% Senior Notes due in 2031 at a price equal to 99.81 percent. Interest will be payable semi-annually and none of the bonds have financial covenants. The Company used the net proceeds, in combination with cash on hand, to repay USD 2.0 billion of the corporate credit facility term loans entered into in December 2020. On 15 July 2021, the Senior Notes were listed on the Securities Official List of the Luxembourg Stock Exchange.

In December 2020, Lundin Energy entered into a five year corporate credit facility of USD 5 billion. The facility is a combination of a five-year USD 1.5 billion revolving credit facility and USD 3.5 billion term loans, split across two, three, four and five year maturities with USD 2.0 billion term loans being repaid in June 2021, USD 0.3 billion term loans being repaid in November 2021 and USD 0.6 billion term loans being repaid during the reporting period leaving USD 0.6 billion term loans, split across four and five year maturities. The facility also includes the option to bring in additional commitments in an accordion option of up to USD 1 billion. In line with the Company's best in class environmental profile, ESG KPIs on carbon intensity and renewable electricity generation have been incorporated into the margin structure, providing further financial incentives for the delivery of the Decarbonisation Strategy and the 2023 carbon neutrality target. The Company achieved a lower interest rate margin over LIBOR during the reporting period based on the ESG KPIs incorporated in the margin structure. The structure of the Facility is such, that it is compatible with the issued unsecured bonds through the debt capital markets at pari passu terms.

Once the transaction with Aker BP 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.

The Company currently has Baa3, BBB- and BBB- credit ratings from Moody's, S&P and Fitch respectively, all with a stable outlook.

Contingent liabilities

In November 2021 the Swedish Prosecution Authority brought criminal charges against Chairman of the Board Ian H. Lundin and Director Alex Schneiter in relation to past operations in Sudan from 1999 to 2003. The charges also include claims against the Company for a corporate fine of SEK 3,000,000 and forfeiture of economic benefits of SEK 1,391,791,000, which according to the Swedish Prosecution Authority represents the value of the gain of SEK 720,098,000 that the Company made on the sale of the business in 2003. Any corporate fine or forfeiture of economic benefits would only be imposed after an adverse conclusion of a trial. The Company refutes that there are any grounds for allegations of wrongdoing by any of its representatives and sees no circumstance in which a corporate fine or forfeiture could become payable. The Company considers this to be a contingent liability and therefore no provisions has been recognised. This contingent liability will remain with the continuing operations.

Subsequent Events

In April 2022, the Company has entered into further derivative financial instruments contracts to buy MNOK 2,920.0 and to sell MUSD 334.2 at an average contractual exchange rate of NOK 8.74 : USD 1 with settlement during the third quarter 2022.

Share Data

Lundin Energy AB's issued share capital amounted to SEK 3,478,713 represented by 285,924,614 shares with a quota value of SEK 0.01 each (rounded off) with the issued share capital including a bonus issue (sw. fondemission) of SEK 556,594 during 2019, to restore the share capital of Lundin Energy to the same amount as immediately prior to the share redemption as approved by the EGM of Lundin Energy held on 31 July 2019.

During 2017, Lundin Energy purchased 1,233,310 of its own shares at an average price of SEK 186.14 based on the approval granted at the AGM 2017. During 2018, Lundin Energy purchased an additional 640,000 of its own shares at an average price of SEK 186.77 based on the approval granted at the AGM 2017. During 2020, Lundin Energy used 300,167 of the purchased own shares for settlement of the 2017 performance based incentive plan and during 2021, Lundin Energy used 216,708 of the purchased own shares for settlement of the 2018 performance based incentive plan resulting in 1,356,435 of its own shares held by the Company by the end of the reporting period. The Company intends to sell its own shares prior to the record date for the distribution of all shares in Lundin Energy MergerCo AB (publ) as authorized by the AGM.

The AGM of Lundin Energy held on 31 March 2022 in Stockholm approved a cash dividend distribution for the year 2021 of USD 2.25 per share, to be paid in quarterly installments of USD 0.5625 per share conditional upon that the Company owns all shares in Lundin Energy MergerCo AB (publ) on the record date of the quarterly cash dividend. Before payment, each quarterly dividend of USD 0.5625 per share shall be converted into a SEK amount, and paid out in SEK, based on the USD to SEK exchange rate published by Sweden's central bank (Riksbanken) four business days prior to each record date (rounded off to the nearest whole SEK 0.01 per share). The final USD equivalent amount received by the shareholders may therefore slightly differ depending on what the USD to SEK exchange rate is on the date of the dividend payment. As each quarterly cash dividend is conditional upon that the Company owns all shares in Lundin Energy MergerCo AB (publ) on the record date, the quarterly cash dividend liability is recognised on each record date if this condition is met. The dividend liability for the first quarterly dividend payment is therefore recognised on 4 April 2022 and was paid on 7 April 2022.

Completion of the Aker BP transaction is expected to take place on 30 June 2022, which would result in no further dividend payments from Lundin Energy, as the quarterly dividend is conditional upon that the Company owns all shares in Lundin Energy MergerCo AB (publ) on the record date of the quarterly cash dividend. Following completion of the transaction with Aker BP, Lundin Energy's shareholders will become shareholders of Aker BP, with Aker BP's next quarterly dividend expected to be paid during the third quarter 2022. Information in regards to the transaction, the share exchange process and dividends, will become available on the Company's webpage during May 2022.

Lex Asea distribution of the E&P business

The combination with Aker BP will be carried out as a statutory cross-border merger in accordance with Norwegian and Swedish law, through which Aker BP will absorb a company (Lundin Energy MergerCo AB (publ)) that will contain Lundin Energy's E&P business. Shortly before the completion of the combination with Aker BP, the shares in Lundin Energy MergerCo AB (publ) will be distributed to the shareholders of Lundin Energy through a so-called lex asea dividend. The merger consideration that thereafter will be payable to the (new) shareholders of Lundin Energy MergerCo AB (publ) will consist of a mix of cash and shares in Aker BP. The AGM of Lundin Energy held on 31 March 2022 in Stockholm approved this so-called lex asea distribution whereby one share in the Company shall entitle to one share in Lundin Energy MergerCo AB (publ). The AGM authorized the Board of Directors to determine the record date for the right to receive shares in Lundin Energy MergerCo AB (publ).

Remuneration

Lundin Energy's principles for remuneration and details of the long-term incentive plans are provided in the Company's 2021 Annual Report, Remuneration Report and in the materials provided to shareholders in respect of the 2022 AGM, available on www.lundin-energy.com

Unit Bonus Plan

The number of units relating to the awards made in 2019, 2020 and 2021 under the Unit Bonus Plan outstanding as at 31 March 2022 were 58,573, 169,239 and 217,524 respectively.

Performance Based Incentive Plan

The AGM 2021 resolved a long-term performance based incentive plan in respect of Group management and a number of key employees. The plan is effective from 1 July 2021 and the 2021 award is accounted for from the second half of 2021. The total outstanding number of awards at 31 March 2022 was 257,924 and the awards vest over three years from 1 July 2021 subject to certain performance conditions being met. The outstanding number of awards has increased from the original number of awards reflecting dividends paid since the award date. Each original award was fair valued at the date of grant at SEK 173.10 using an option pricing model.

The 2020 plan is effective from 1 July 2020 and the total outstanding number of awards at 31 March 2022 was 419,260 and the awards vest over three years from 1 July 2020 subject to certain performance conditions being met. The outstanding number of awards has increased from the original number of awards reflecting dividends paid since the award date. Each original award was fair valued at the date of grant at SEK 147.10 using an option pricing model.

The 2019 plan is effective from 1 July 2019 and the total outstanding number of awards at 31 March 2022 was 345,197 and the awards vest over three years from 1 July 2019 subject to certain performance conditions being met. The outstanding number of awards has increased from the original number of awards reflecting dividends paid since the award date. Each original award was fair valued at the date of grant at SEK 169.00 using an option pricing model.

Accounting Policies

The interim Group report has been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

The accounting policies adopted are in all aspects consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2021.

The financial reporting of the Parent Company has been prepared in accordance with accounting principles generally accepted in Sweden, applying RFR 2 Reporting for legal entities, issued by the Swedish Financial Reporting Board and the Annual Accounts Act (SFS 1995:1554).

Under Swedish company regulations it is not allowed to report the Parent Company results in any other currency than Swedish Krona or Euro and consequently the Parent Company's financial information is reported in Swedish Krona and not the Group's presentation currency of US Dollar.

Risks and Risk Management

The objective of Business Risk Management is to identify, understand and manage threats and opportunities within the business on a continual basis. This objective is achieved by creating a mandate and commitment to risk management at all levels of the business. This approach actively addresses risk as an integral and continual part of decision making within the Group and is designed to ensure that all risks are identified, fully acknowledged, understood and communicated well in advance. The ability to manage and or mitigate these risks represents a key component in ensuring that the business aim of the Company is achieved. Nevertheless, oil and gas exploration, development and production involve high operational and financial risks, which even a combination of experience, knowledge and careful evaluation may not be able to fully eliminate or which are beyond the Company's control.

A detailed analysis of Lundin Energy's strategic, operational, financial and external risks and mitigation of those risks through risk management is described in Lundin Energy's 2021 Annual Report.

Derivative financial instruments

Lundin Energy has entered into derivative financial instruments to address its exposure for exchange rate fluctuations for capital expenditure amounts relating to its committed field development projects and Corporate and Special Petroleum Tax amounts. At 31 March 2022, Lundin Energy had outstanding foreign currency contracts as summarised below:

Buy	Sell	Average contractual Exchange rate	Settlement period
MNOK 5,452.2	MUSD 643.1	NOK 8.48:USD 1	Apr 2022 — Dec 2022
MNOK 530.0	MUSD 64.2	NOK 8.26:USD 1	Jan 2023 — Dec 2023
MNOK 300.0	MUSD 33.0	NOK 9.09:USD 1	Jan 2024 — Dec 2024

Buy	Sell	Average contractual strike price-put options	Settlement period
MNOK 3,814.5	MUSD 466.6	NOK 8.18:USD 1	May 2022

Lundin Energy entered into interest rate hedge contracts and at 31 March 2022 had outstanding interest rate hedge contracts as follows:

Borrowings expressed in MUSD	Fixing of floating LIBOR average rate per annum	Settlement period
3,200	2.20%	Apr 2022 — Dec 2022
2,700	1.38%	Jan 2023 — Dec 2023
2,200	1.47%	Jan 2024 — Dec 2024
1,400	0.71%	Jan 2025 — Dec 2025
1,100	0.81%	Jan 2026 — Jun 2026

Under IFRS 9, subject to hedge effectiveness testing, changes to the fair value of effective hedges are reflected in other comprehensive income and changes to the fair value of ineffective hedges are reflected directly in the income statement.

Exchange Rates

For the preparation of the financial statements for the year, the following currency exchange rates have been used.

	31 Mar 2022		31 Mar 2021		31 Dec 2021	
	Average	Period end	Average	Period end	Average	Period end
1 USD equals NOK	8.8489	8.7479	8.5140	8.5249	8.5904	8.8194
1 USD equals Euro	0.8909	0.9009	0.8295	0.8529	0.8450	0.8829
1 USD equals SEK	9.3379	9.3118	8.3933	8.7320	8.5765	9.0502

Consolidated Income Statement

Expressed in MUSD	Note	**1 Jan 2022-31 Mar 2022 3 months**	1 Jan 2021-31 Mar 2021 3 months	1 Jan 2021-31 Dec 2021 12 months
General, administration and depreciation expenses		-4.8	-7.5	-19.4
Operating profit		**-4.8**	-7.5	-19.4
Net financial items				
Finance income	1	0.5	0.2	2.6
Finance costs	2	–	-0.2	-0.2
		0.5	–	2.4
Share in result of joint ventures		1.8	-0.1	0.9
Loss before tax		**-2.5**	-7.6	-16.1
Income tax		–	–	–
Net result from continuing operations		**-2.5**	-7.6	-16.1
Discontinued operations				
Net result - E&P business	3	471.0	76.5	509.9
		468.5	68.9	493.8
Attributable to:				
Shareholders of the Parent Company		**468.5**	68.9	493.8
Earnings per share – USD				
From continuing operations		-0.01	-0.03	-0.06
From discontinued operations		1.66	0.27	1.80
		1.65	0.24	1.74
Earnings per share fully diluted – USD				
From continuing operations		-0.01	-0.03	-0.06
From discontinued operations		1.65	0.27	1.79
		1.64	0.24	1.73

Consolidated Statement of Comprehensive Income

Expressed in MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Net result	**468.5**	68.9	493.8
Items that may be subsequently reclassified to profit or loss:			
Exchange differences foreign operations	29.4	100.0	181.2
Cash flow hedges	9.5	57.7	183.5
Other comprehensive income, net of tax	**38.9**	157.7	858.5
Total comprehensive income	**38.9**	157.7	858.5
Attributable to:			
Shareholders of the Parent Company	**507.4**	226.6	858.5

Consolidated Balance Sheet

Expressed in MUSD	Note	31 March 2022	31 December 2021
ASSETS			
Non-current assets			
Renewable energy properties		44.9	31.5
Other tangible fixed assets		0.1	0.1
Investments in joint ventures		119.5	108.7
Receivables from joint ventures		33.4	35.1
Total non-current assets		**197.9**	175.4
Current assets			
Assets held for distribution	3	8,066.8	7,468.2
Trade and other receivables		9.8	5.3
Receivable from discontinued operations		–	128.6
Cash and cash equivalents		130.0	130.0
Total current assets		**8,206.6**	7,732.1
TOTAL ASSETS		**8,404.5**	7,907.5
EQUITY AND LIABILITIES			
Equity			
Shareholders´ equity		**-910.5**	-1,419.3
Liabilities			
Current liabilities			
Liabilities held for distribution	3	9,310.8	9,194.0
Dividends		–	128.6
Trade and other payables		4.2	4.2
Total current liabilities		**9,315.0**	9,326.8
Total liabilities		**9,315.0**	9,326.8
TOTAL EQUITY AND LIABILITIES		**8,404.5**	7,907.5

Consolidated Statement of Cash Flows

Expressed in MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Cash flows from operating activities			
Net result from continuing operations	**-2.5**	-7.6	-16.1
Net result from discontinued operations	**471.0**	76.5	509.9
Adjustments for:			
Exploration costs	21.9	80.7	258.1
Depletion, depreciation and amortisation	—	172.8	703.2
Current tax	1,330.6	507.0	2,562.8
Deferred tax	112.4	70.2	329.7
Long-term incentive plans	5.9	4.8	6.1
Foreign currency exchange gain/ loss	39.0	84.8	186.4
Interest expense	12.9	12.5	52.0
Amortisation of deferred financing fees	2.0	2.3	35.5
Ineffective hedging contracts	-125.1	—	68.9
Other	5.0	18.6	38.2
Interest received	0.4	0.4	1.2
Interest paid	-33.5	-17.3	-50.9
Income taxes paid / received	-508.7	-121.0	-1,397.8
Changes in working capital	-321.7	-134.5	-229.2
Total cash flows from operating activities	**1,009.6**	750.2	3,058.0
- of which relates to continuing operations	*-9.3*	*-6.6*	*-17.7*
- of which relates to discontinued operations	*1,018.9*	*756.8*	*3,075.7*
Cash flows from investing activities			
Investment in oil and gas properties	-161.8	-218.4	-1,319.5
Investment in renewable energy business[1]	-23.9	-5.2	-77.3
Investment in other fixed assets	-0.7	-0.3	-4.1
Decommissioning costs paid	-0.9	-0.1	-11.6
Total cash flows from investing activities	**-187.3**	-224.0	-1,412.5
- of which relates to continuing operations	*-22.6*	*-4.7*	*-71.7*
- of which relates to discontinued operations	*-164.7*	*-219.3*	*-1,340.8*
Cash flows from financing activities			
Senior Notes	—	—	1,996.4
Net drawdown/repayment of corporate credit facility	-540.0	-370.0	-2,794.0
Repayment of principal portion of lease commitments	-8.8	-4.0	-26.6
Financing fees paid	—	-2.6	-21.3
Dividends paid	-128.1	-71.1	-455.0
Total cash flows from financing activities	**-676.9**	-447.7	-1,300.5
- of which relates to continuing operations	*-128.1*	*-71.1*	*-455.0*
- of which relates to discontinued operations	*-548.8*	*-376.6*	*-845.5*
Change in cash and cash equivalents	145.4	78.5	345.0
Cash and cash equivalents at the beginning of the period	452.1	82.5	82.5
Currency exchange difference in cash and cash equivalents	0.3	-1.0	24.6
Cash and cash equivalents at the end of the period	**597.8**	160.0	452.1
- of which is included in assets held for distribution	*467.8*	*30.0*	*322.1*
- of which excludes assets held for distribution	*130.0*	*130.0*	*130.0*

[1] Includes incurred cost relating to the acquisition of the renewable energy business and funding of joint ventures

Consolidated Statement of Changes in Equity

Expressed in MUSD	Share capital	Additional paid-in capital / Other reserves	Retained earnings	Dividends	**Total equity**
At 1 January 2021	**0.5**	**-445.5**	**-1,324.1**	–	**-1,769.1**
Comprehensive income					
Net result	–	–	68.9	–	68.9
Other comprehensive income	–	157.7	–	–	157.7
Total comprehensive income	–	**157.7**	**68.9**	–	**226.6**
Transactions with owners					
Distributions	–	–	–	-511.8	-511.8
Value of employee services	–	–	1.4	–	1.4
Total transaction with owners	–	–	**1.4**	**-511.8**	**-510.4**
At 31 March 2021	**0.5**	**-287.8**	**-1,253.8**	**-511.8**	**-2.052.9**
Comprehensive income					
Net result	–	–	424.9	–	424.9
Other comprehensive income	–	207.0	–	–	207.0
Total comprehensive income	–	**207.0**	**424.9**	–	**631.9**
Transactions with owners					
Issuance of treasury shares	–	6.4	–	–	6.4
Share based payments	–	-9.0	–	–	-9.0
Value of employee services	–	–	4.3	–	4.3
Total transaction with owners	–	-2.6	**4.3**	–	**1.7**
At 31 December 2021	**0.5**	**-83.4**	**-824.6**	**-511.8**	**-1,419.3**
Transfer of prior year dividends	–	–	-511.8	511.8	–
Comprehensive income					
Net result	–	–	468.5	–	468.5
Other comprehensive income	–	38.9	–	–	38.9
Total comprehensive income	–	**38.9**	**468.5**	–	**507.4**
Transactions with owners					
Value of employee services	–	–	1.4	–	1.4
Total transaction with owners	–	–	**1.4**	–	**1.4**
At 31 March 2022	**0.5**	**-44.5**	**-866.5**	–	**-910.5**

Note 1 – Finance income - continuing operations MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Foreign currency exchange gain, net	0.3	0.1	0.2
Interest income	0.2	0.1	1.0
Other	–	–	1.4
Finance income	**0.5**	0.2	2.6

Note 2 – Finance costs - continuing operations MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Foreign currency exchange loss, net	–	–	–
Other	–	0.2	0.2
Finance costs	–	0.2	0.2

Note 3 – Discontinued operations - E&P business

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. 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. The results of the E&P business are included in Lundin Energy's financial statements in the reporting period and are shown as discontinued operations. The assets and liabilities associated with the E&P business are presented as assets and liabilities held for distribution in the consolidated balance sheet.

The financial performance of the discontinued operations and net assets held for distribution is as follows:

Expressed in MUSD	Note	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Revenue and other income	4			
Revenue		1,969.2	1,106.9	5,452.9
Other income		7.7	5,0	31.8
		1,976.9	1,111.9	5,484.7
Cost of sales				
Production costs	5	-77.4	-80.9	-265.4
Depletion and decommissioning costs		–	-171.0	-703.0
Exploration costs		-21.9	-80.7	-258.1
Purchase of crude oil from third parties		–	–	-361.7
Gross profit	6	**1,877.6**	779.3	3,896.5
General, administration and depreciation expenses		-6.2	-6.9	-22.5
Operating profit		**1,871.4**	772.4	3,874.0
Net financial items				
Finance income	7	109.0	0.4	1.2
Finance costs	8	-66.4	-119.1	-472.8
		42.6	-118.7	-471.6
Profit before tax		**1,914.0**	653.7	3,402.4
Income tax	9	-1,443.0	-577.2	-2,892.5
Net result from discontinued operations		**471.0**	76.5	509.9

Expressed in MUSD	Note	31 March 2022	31 December 2021
Assets held for distribution			
Oil and gas properties	10	6,463.6	6,222.2
Other tangible fixed assets	11	41.1	42.0
Goodwill		128.1	128.1
Financial assets	12	12.8	12.7
Inventories		55.6	55.7
Trade and other receivables	13	799.3	657.2
Derivative instruments	18	91.1	18.5
Current tax assets		7.4	9.7
Cash and cash equivalents		467.8	322.1
Total assets held for distribution		**8,066.8**	7,468.2
Liabilities held for distribution			
Bonds	14	1,980.9	1,979.9
Financial liabilities	15	698.5	1,231.6
Provisions	16	709.4	664.7
Deferred tax liabilities		3,259.9	3,120.6
Trade and other payables	17	206.9	404.2
Derivative instruments	18	37.3	90.7
Current tax liabilities		2,417.9	1,573.7
Payable to continuing operations		—	128.6
Total liabilities held for distribution		**9,310.8**	9,194.0
Net assets held for distribution		**-1,244.0**	-1,725.8
Amounts included in accumulated other comprehensive income:			
Foreign currency translation reserve		-343.9	-397.6
Hedging reserves		-8.7	-18.8
Reserves of disposal Group classified as held for distribution		**-352.6**	-416.4

Note 4 – Revenue and other income - discontinued operations - MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Revenue			
Crude oil from own production	1,698.0	1,043.0	4,535.1
Crude oil from third party activities	—	—	364.4
Condensate	40.9	18.9	113.5
Gas	230.3	45.0	439.9
Sales of oil and gas	**1,969.2**	1,106.9	5,452.9
Other income	7.7	5.0	31,8
Revenue and other income	**1,976.9**	1,111.9	5,484.7

Note 5 – Production costs - discontinued operations MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Cost of operations	48.5	37.3	167.5
Tariff and transportation expenses	20.0	15.7	71.9
Change in under/over lift position	7.5	14.4	7.9
Change in inventory position	-0.6	11.8	11.6
Other	2.0	1.7	6.5
Production costs	**77.4**	80.9	265.4

Note 6 – Segment information - discontinued operations MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Norway			
Crude oil from own production	1,698.0	1,043.0	4,535.1
Condensate	40.9	18.9	113.5
Gas	230.3	45.0	439.9
Revenue	**1,969.2**	1,106.9	5,088.5
Other income	7.7	5.0	31.8
Revenue and other income	**1,976.9**	1,111.9	5,120.3
Production costs	-77.4	-80.9	-265.4
Depletion and decommissioning costs	—	-171.0	-703.0
Exploration costs	-21.9	-80.7	-258.1
Gross profit	**1,877.6**	779.3	3,893.8
Other			
Crude oil from third party activities	—	—	364.4
Revenue	—	—	364.4
Purchase of crude oil from third parties	—	—	-361.7
Gross profit	—	—	2.7
Total			
Crude oil from own production	1,698.0	1,043.0	4,535.1
Crude oil from third party activities	—	—	364.4
Condensate	40.9	18.9	113.5
Gas	230.3	45.0	439.9
Revenue	**1,969.2**	1,106.9	5,452.9
Other income	7.7	5.0	31.8
Revenue and other income	**1,976.9**	1,111.9	5,484.7
Production costs	-77.4	-80.9	-265.4
Depletion and decommissioning costs	—	-171.0	-703.0
Exploration costs	-21.9	-80.7	-258.1
Purchase of crude oil from third parties	—	—	-361.7
Gross profit	**1,877.6**	779.3	3,896.5

Note 7 – Finance income - discontinued operations MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Interest income	0.4	0.4	1.2
Gain on interest rate hedges	108.6	—	—
Finance income	**109.0**	0.4	1.2

Note 8 – Finance costs - discontinued operations MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Foreign currency exchange loss, net	36.0	80.8	216.3
Interest expense	13.1	12.5	52.5
Loss on interest rate hedges	—	16.6	122.0
Unwinding of site restoration discount	5.7	5.0	20.8
Amortisation of deferred financing fees	2.0	2.3	35.5
Loan facility commitment fees	1.8	1.8	7.2
Other	7.8	0.1	18.5
Finance costs	**66.4**	119.1	472.8

Note 9 – Income tax - discontinued operations MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Current tax	1,330.6	507.0	2,562.8
Deferred tax	112.4	70.2	329.7
Income tax	**1,443.0**	577.2	2,892.5

Note 10 – Oil and gas properties - assets held for distribution MUSD	**31 March 2022**	31 December 2021
Producing assets	4,495.3	4,415.3
Assets under development	911.0	794.4
Capitalised exploration and appraisal expenditure	1,045.5	1,007.2
Right of use assets	11.8	5.3
	6,463.6	6,222.2

Note 11 – Other tangible fixed assets - assets held for distribution MUSD	**31 March 2022**	31 December 2021
Right of use assets	26.2	27.2
Other	14.9	14.8
	41.1	42.0

Note 12 – Financial assets - assets held for distribution MUSD	**31 March 2022**	31 December 2021
Contingent consideration	12.5	12.4
Associated companies	0.3	0.3
	12.8	12.7

Note 13 – Trade and other receivables - assets held for distribution MUSD	**31 March 2022**	31 December 2021
Trade receivables	573.5	523.9
Underlift	6.6	23.2
Joint operations debtors	24.6	36.2
Prepaid expenses and accrued income	186.9	68.7
Other	7.7	5.2
	799.3	657.2

Note 14 – Bonds - liabilities held for distribution MUSD	**31 March 2022**	31 December 2021
Senior Notes 2.0% (21/26) - maturity July 2026	1,000.0	1,000.0
Senior Notes 3.1% (21/31) - maturity July 2031	1,000.0	1,000.0
Discount on bonds issuance	-3.2	-3.4
Capitalised financing fees	-15.9	-16.7
	1,980.9	1,979.9

Note 15 – Financial liabilities - liabilities held for distribution MUSD	**31 March 2022**	31 December 2021
Bank loans	660.0	1,200.0
Capitalised financing fees	-1.2	-2.4
Lease commitments	39.7	34.0
	698.5	1,231.6

Note 16 – Provisions - liabilities held for distribution MUSD	31 March 2022	31 December 2021
Site restoration	690.4	650.8
Long-term incentive plans	14.8	10.3
Other	4.2	3.6
	709.4	664.7

Note 17 – Trade and other payables - liabilities held for distribution MUSD	31 March 2022	31 December 2021
Trade payables	17.1	80.4
Overlift	18.0	27.0
Joint operations creditors and accrued expenses	138.8	209.0
Other accrued expenses	24.9	63.7
Other	8.1	24.1
	206.9	404.2

Note 18 – Financial Instruments - liabilities held for distribution

For financial instruments measured at fair value in the balance sheet, the following fair value measurement hierarchy is used:

- Level 1: based on quoted prices in active markets;
- Level 2: based on inputs other than quoted prices as within level 1, that are either directly or indirectly observable;
- Level 3: based on inputs which are not based on observable market data.

Based on this hierarchy, financial instruments measured at fair value can be detailed as follows:

31 March 2022 MUSD	Level 1	Level 2	Level 3
Assets held for distribution			
Contingent consideration	–	–	12.5
Derivative instruments	–	91.1	–
	–	91.1	12.5
Liabilities held for distribution			
Derivative instruments	–	37.3	–
	–	37.3	–

31 December 2021 MUSD	Level 1	Level 2	Level 3
Assets held for distribution			
Contingent consideration	–	–	12.4
Derivative instruments	–	18.5	–
	–	18.5	12.4
Liabilities held for distribution			
Derivative instruments	–	90.7	–
	–	90.7	–

The fair value of the financial assets is estimated to equal the carrying value. The fair value of the derivative instruments is calculated using the forward interest rate curve and the forward exchange rate curve respectively for the interest rate swap and the currency hedging contracts. The hedge counterparties are all banks which are party to the loan facility agreement. The sale of 2.6 percent of Johan Sverdrup during 2019 included a contingent consideration based on future reserve reclassifications and is due in 2026, This contingent consideration was fair valued by the Company in 2019 with no material changes in subsequent years.

Note 19 – Additional disclosures

Additional disclosures supplementing the financial statements are included in the Financial Review section of this report on pages 7-14.

Parent Company Income Statement

Expressed in MSEK	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Revenue	7.5	9.9	20.4
General and administration expenses	-62.7	-75.9	-240.7
Operating loss	**-55.2**	-66.0	-220.3
Net financial items			
Finance income	0.4	4,468.1	13,310.2
Finance costs	-4.1	—	-133.4
	-3.7	4,468.1	13,176.8
Profit before tax	**-58.9**	4,402.1	12,956.5
Income tax	—	—	—
Net result	**-58.9**	4,402.1	12,956.5

Parent Company Comprehensive Income Statement

Expressed in MSEK	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Net result	**-58.9**	4,402.1	12,956.5
Other comprehensive income	—	—	—
Total comprehensive income	**-58.9**	4,402.1	12,956.5
Attributable to:			
Shareholders of the Parent Company	-58.9	4,402.1	12,956.5
	-58.9	4,402.1	12,956.5

Parent Company Balance Sheet

Expressed in MSEK	**31 March 2022**	31 December 2021
ASSETS		
Non-current assets		
Shares in subsidiaries	55,119.4	55,118.9
Other tangible fixed assets	0.4	0.4
Total non-current assets	**55,119.8**	55,119.3
Current assets:		
Receivables	8,452.2	9,813.9
Cash and cash equivalents	45.4	44.3
Total current assets	**8,497.6**	9,858.2
TOTAL ASSETS	**63,617.4**	64,977.5
SHAREHOLDERS´EQUITY AND LIABILITIES		
Shareholders´ equity including net result for the period	63,566.6	63,625.5
Non-current liabilities		
Provisions	2.4	1.6
Total non-current liabilities	**2.4**	1.6
Current liabilities		
Dividends	–	1,163.9
Other liabilities	48.4	186.5
Total current liabilities	**48.4**	1,350.4
Total liabilities	**50.8**	1,352.0
TOTAL EQUITY AND LIABILITIES	**63,617.4**	64,977.5

Parent Company Cash Flow Statement

Expressed in MSEK	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Cash flow from operations			
Net result	-58.9	4,402.1	12,956.5
Adjustment for non-cash related items	0.4	-4,467.6	-9,772.0
Changes in working capital	1,223.8	668.6	674.0
Total cash flow from operations	**1,165.3**	603.1	3,858.5
Cash flow from investing			
Investments in subsidiaries	-0.5	–	–
Investments in other fixed assets	–	–	-0.1
Total cash flow from investing	-0.5	–	-0.1
Cash flow from financing			
Dividends paid	-1,163.9	-591.5	-3,898.5
Issuance of treasury shares	–	–	56.2
Total cash flow from financing	**-1,163.9**	-591.5	-3,842.3
Change in cash and cash equivalents	0.9	11.6	16.1
Cash and cash equivalents at the beginning of the period	44.3	26.6	26.6
Currency exchange difference in cash and cash equivalents	0.2	1.2	1.6
Cash and cash equivalents at the end of the period	**45.4**	39.4	44.3

Parent Company Statement of Changes in Equity

	Restricted equity		Unrestricted equity				
Expressed in MSEK	Share capital	Statutory reserve	Other reserves	Retained earnings	Dividends	Total	Total equity
Balance at 1 January 2021	**3.5**	**861.3**	**6,542.8**	**50.540.2**	**-2,867.8**	**54,215.2**	**55,080.0**
Total comprehensive income	**–**	**–**	**–**	**4,402.1**	**–**	**4,402.1**	**4,402.1**
Transactions with owners							
Distributions	—	—	—	—	-4,467.2	-4,467.2	-4,467.2
Total transactions with owners	**–**	**–**	—	—	**-4,467.2**	**-4,467.2**	**-4,467.2**
Balance at 31 March 2021	**3.5**	**861.3**	**6,542.8**	**52,074.5**	**-4,467.2**	**54,150.1**	**55,014.9**
Total comprehensive income	—	—	—	**8,554.4**	—	**8,554.4**	**8,554.4**
Transactions with owners							
Issuance of treasury shares	—	—	56.2	—	—	56.2	**56.2**
Total transactions with owners	—	—	56.2	—	—	**56.2**	**56.2**
Balance at 31 December 2021	**3.5**	**861.3**	**6,599.0**	**60,628.9**	**-4,467.2**	**62,760.7**	**63,625.5**
Transfer of prior year dividends	—	—	—	-4,467.2	4,467.2	—	—
Total comprehensive income	—	—	—	**-58.9**	—	**-58.9**	**-58.9**
Balance at 31 March 2022	**3.5**	**861.3**	**6,599.0**	**56,102.8**	—	**62,701.8**	**63,566.6**

Key Financial Data

Lundin Energy discloses alternative performance measures as part of its financial statements prepared in accordance with ESMA's (European Securities and Markets Authority) guidelines. Lundin Energy believes that the alternative performance measures provide useful supplement information to management, investors, security analysts and other stakeholders and are meant to provide an enhanced insight into the financial development of Lundin Energy's business operations and to improve comparability between periods. Reconciliations of relevant alternative performance measures are provided on the following pages. Definitions of the performance measures are provided under the key ratio definitions:

Financial data MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Revenue and other income			
From continuing operations	–	–	–
From discontinuing operations	1,976.9	1,111.9	5,484.7
	1,976.9	1,111.9	5,484.7
Operating cash flow			
From continuing operations	–	–	–
From discontinuing operations	568.9	524.0	2,294.8
	568.9	524.0	2,294.8
CFFO			
From continuing operations	-9.3	-6.6	-17.7
From discontinuing operations	1,018.9	756.8	3,075.7
	1,009.6	750.2	3,058.0
EBITDAX			
From continuing operations	-4.8	-7.5	-19.4
From discontinuing operations	1,893.3	1,025.9	4,842.2
	1,888.5	1,018.4	4,822.8
Free cash flow			
From continuing operations	-31.9	-11.3	-89.4
From discontinuing operations	854.2	537.5	1,734.9
	822.3	526.2	1,645.5
Net result			
From continuing operations	-2.5	-7.6	-16.1
From discontinuing operations	471.0	76.5	509.9
	468.5	68.9	493.8
Adjusted net result			
From continuing operations	-2.8	-7.7	-16.3
From discontinuing operations	398.2	157.5	812.0
	395.4	149.8	795.7
Net debt	**2,062.2**	3,464.0	2,747.9

Data per share USD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Operating cash flow per share			
From continuing operations	–	–	–
From discontinuing operations	2.00	1.84	8.07
	2.00	1.84	8.07
CFFO per share			
From continuing operations	-0.03	-0.02	-0.06
From discontinuing operations	3.58	2.66	10.81
	3.55	2.64	10.75
EBITDAX per share			
From continuing operations	-0.02	-0.03	-0.07
From discontinuing operations	6.66	3.61	17.03
	6.64	3.58	16.96
Free cash flow per share			
From continuing operations	-0.11	-0.04	-0.31
From discontinuing operations	3.00	1.89	6.10
	2.89	1.85	5.79
Earnings per share			
From continuing operations	-0.01	-0.03	-0.06
From discontinuing operations	1.66	0.27	1.80
	1.65	0.24	1.74
Earnings per share fully diluted			
From continuing operations	-0.01	-0.03	-0.06
From discontinuing operations	1.65	0.27	1.79
	1.64	0.24	1.73
Adjusted earnings per share			
From continuing operations	-0.01	-0.03	-0.06
From discontinuing operations	1.40	0.56	2.86
	1.39	0.53	2.80
Adjusted earnings per share fully diluted			
From continuing operations	-0.01	-0.03	-0.06
From discontinuing operations	1.40	0.56	2.85
	1.39	0.53	2.79
Shareholders' equity per share	-3.20	-7.22	-4.99
Dividend per share[1]	0.45	0.25	1.60
Yield	1	1	4
Number of shares issued at period end	285,924,614	285,924,614	285,924,614
Number of shares in circulation at period end	284,568,178	284,351,471	284,568,178
Weighted average number of shares for the period	284,568,178	284,351,471	284,444,685
Weighted average number of shares for the period fully diluted	285,193,658	284,886,920	285,126,595

[1] Dividend per share represents the actual paid out dividend per share.

Share price	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Share price at period end in SEK	399.30	274.40	324.50
Share price at period end in USD[1]	42.88	31.42	35.86
Key ratios from continuing operations[2]			
Return on equity (%)	-1	-3	-6
Return on capital employed (%)	-1	-3	-6
Net debt/equity ratio (%)	–	–	–
Net debt/EBITDAX ratio	–	–	–
Equity ratio (%)	99	32	70
Share of risk capital (%)	99	32	70
Interest coverage ratio	–	–	–
Operating cash flow/interest ratio	–	–	–

[1] Share price at period end in USD is calculated based on quoted share price in SEK and applicable SEK/USD exchange rate as per period end.
[2] Key ratios from continuing operations are calculated based on equity attributable to the continuing operations only instead of equity as presented in the consolidated balance sheet and based on no debt attributable to the continuing operations.

Relevant Reconciliations of Alternative Performance Measures

EBITDAX MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
From continuing operations			
Operating profit	-4.8	-7.5	-19.4
EBITDAX	**-4.8**	-7.5	-19.4

EBITDAX MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
From discontinuing operations			
Operating profit	1,871.4	772.4	3,874.0
Add: depletion of oil and gas properties	—	171.0	703.0
Add: exploration costs	21.9	80.7	258.1
Add: depreciation of other tangible assets	—	1.8	7.1
EBITDAX	**1,893.3**	1,025.9	4,842.2

Operating cash flow MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
From discontinuing operations			
Revenue and other income	1,976.9	1,111.9	5,484.7
Minus: production costs	-77.4	-80.9	-265.4
Minus: purchase of crude oil from third parties	—	—	-361.7
Minus: current taxes	-1,330.6	-507.0	-2,562.8
Operating cash flow	**568.9**	524.0	2,294.8

Free cash flow MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
From continuing operations			
Cash flows from operating activities (CFFO)	-9.3	-6.6	-17.7
Minus: cash flows from investing activities	-22.6	-4.7	-71.7
Free cash flow	**-31.9**	-11.3	-89.4

Free cash flow MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
From discontinuing operations			
Cash flows from operating activities (CFFO)	1,018.9	756.8	3,075.7
Minus: cash flows from investing activities	-164.7	-219.3	-1,340.8
Free cash flow	**854.2**	537.5	1,734.9

Adjusted net result MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
From continuing operations			
Net result	-2.5	-7.6	-16.1
Adjusted for foreign currency exchange gain or loss	-0.3	-0.1	-0.2
Adjusted net result	**-2.8**	-7.7	-16.3

Adjusted net result MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
From discontinuing operations			
Net result	471.0	76.5	509.9
Adjusted for foreign currency exchange gain or loss	36.0	80.8	216.1
Adjusted for ineffective interest rate hedge contracts	-108.6	–	71.0
Adjusted for other non recurring finance costs	0.4	–	15.4
Adjusted for tax effects of above mentioned items	-0.6	0.2	-0.4
Adjusted net result	**398.2**	157.5	812.0

Net debt MUSD	**1 Jan 2022- 31 Mar 2022 3 months**	1 Jan 2021- 31 Mar 2021 3 months	1 Jan 2021- 31 Dec 2021 12 months
Senior Notes	2,000.0	–	2,000.0
Bank loans	660.0	3,624.0	1,200.0
Minus: cash and cash equivalents	-597.8	-160.0	-452.1
Net debt	**2,062.2**	3,464.0	2,747.9

Key Ratio Definitions

Adjusted earnings per share: Adjusted net result attributable to shareholders of the Parent Company divided by the weighted average number of shares for the period.

Adjusted earnings per share fully diluted: Adjusted net result attributable to shareholders of the Parent Company divided by the weighted average number of shares for the period after considering any dilution effect.

Adjusted net result: Net result adjusted for the following items:

- **Gain or loss from sale of assets** is adjusted since the gain or loss does not give an indication of future or periodic performance.
- **Impairment and reversal of impairment** is adjusted since this affects the economics of an asset for the lifetime of that asset, not only the period in which it is impaired or the impairment is reversed.
- **Other items of income and expenses** are adjusted when the impact on net result in the period is not reflective of the company's underlying performance in the period. Such items may be unusual or infrequent transactions but they may also include transactions that are significant which would not necessarily qualify as either unusual or infrequent.
- **Foreign currency exchange gain or loss** is adjusted since the gain or loss does not give an indication of future or periodic performance as currency exchange rates change between periods.
- **Tax effects** of the above mentioned adjustments to net result

CFFO per share: Cash flow from operating activities (CFFO) divided by the weighted average number of shares for the period.

Dividend per share: paid out dividends per share for the period.

Earnings per share: Net result attributable to shareholders of the Parent Company divided by the weighted average number of shares for the period.

Earnings per share fully diluted: Net result attributable to shareholders of the Parent Company divided by the weighted average number of shares for the period after considering any dilution effect.

EBITDAX (Earnings Before Interest, Taxes, Depletion, Amortisation and Exploration expenses): Operating profit before depletion of oil and gas properties, exploration costs, impairment costs, depreciation of other tangible assets and gain on sale of assets.

EBITDAX per share: EBITDAX divided by the weighted average number of shares for the period.

Equity ratio: Total equity divided by the balance sheet total.

Free cash flow: Cash flow from operating activities less cash flow from investing activities in accordance with the consolidated statement of cash flow.

Free cash flow per share: Free cash flow divided by the weighted average number of shares for the period.

Interest coverage ratio: Result after financial items plus interest expenses plus/less currency exchange differences on financial loans divided by interest expenses.

Net debt: Bonds plus bank loan less cash and cash equivalents.

Net debt/EBITDAX ratio: Bonds plus bank loan less cash and cash equivalents divided by EBITDAX of the last four quarters.

Net debt/equity ratio: Bonds plus bank loan less cash and cash equivalents divided by shareholders' equity.

Operating cash flow: Revenue and other income less production costs less purchase of crude oil from third parties less current taxes and less gain on sale of assets.

Operating cash flow per share: Operating cash flow divided by the weighted average number of shares for the period.

Operating cash flow/interest ratio: Operating cash flow divided by the interest expense for the period.

Return on capital employed: Income before tax plus interest expenses plus/less currency exchange differences on financial loans divided by the average capital employed (the average balance sheet total less current liabilities).

Return on equity: Net result divided by average total equity.

Shareholders' equity per share: Shareholders' equity divided by the number of shares in circulation at period end.

Share of risk capital: The sum of the total equity and the deferred tax provision divided by the balance sheet total.

Weighted average number of shares for the period: The number of shares at the beginning of the period with changes in the number of shares weighted for the proportion of the period they are in issue.

Weighted average number of shares for the period fully diluted: The number of shares at the beginning of the period with changes in the number of shares weighted for the proportion of the period they are in issue after considering any dilution effect.

Yield: dividend per share in relation to quoted share price at the end of the period.

Financial Information

The financial information relating to the three month period ended 31 March 2022 has not been subject to review by the auditors of the Company.

Stockholm, 27 April 2022

Nick Walker
President and CEO

The Company will publish the following reports:

- The six month report (January — June 2022) will be published on 27 July 2022.
- The nine month report (January — September 2022) will be published on 2 November 2022.
- The year end report (January — December 2022) will be published on 15 February 2023.

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Definitions and abbreviations

CHF	Swiss franc
EUR	Euro
NOK	Norwegian Krone
SEK	Swedish Krona
USD	US dollar
TSEK	Thousand SEK
TUSD	Thousand USD
MEUR	Million EUR
MSEK	Million SEK
MUSD	Million USD
BUSD	Billion USD

Oil related terms and measurements

bo	Barrels of oil
boe	Barrels of oil equivalents
boepd	Barrels of oil equivalents per day
bopd	Barrels of oil per day
CO_2	Carbon dioxide
CO_2e	Carbon dioxide equivalents
Mbbl	Thousand barrels
Mboe	Thousand barrels of oil equivalents
Mboepd	Thousand barrels of oil equivalents per day
Mbopd	Thousand barrels of oil per day
Mcf	Thousand cubic feet
MMboe	Million barrels of oil equivalents
MMbo	Million barrels of oil

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), 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 “Risks and 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.

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