

Q3

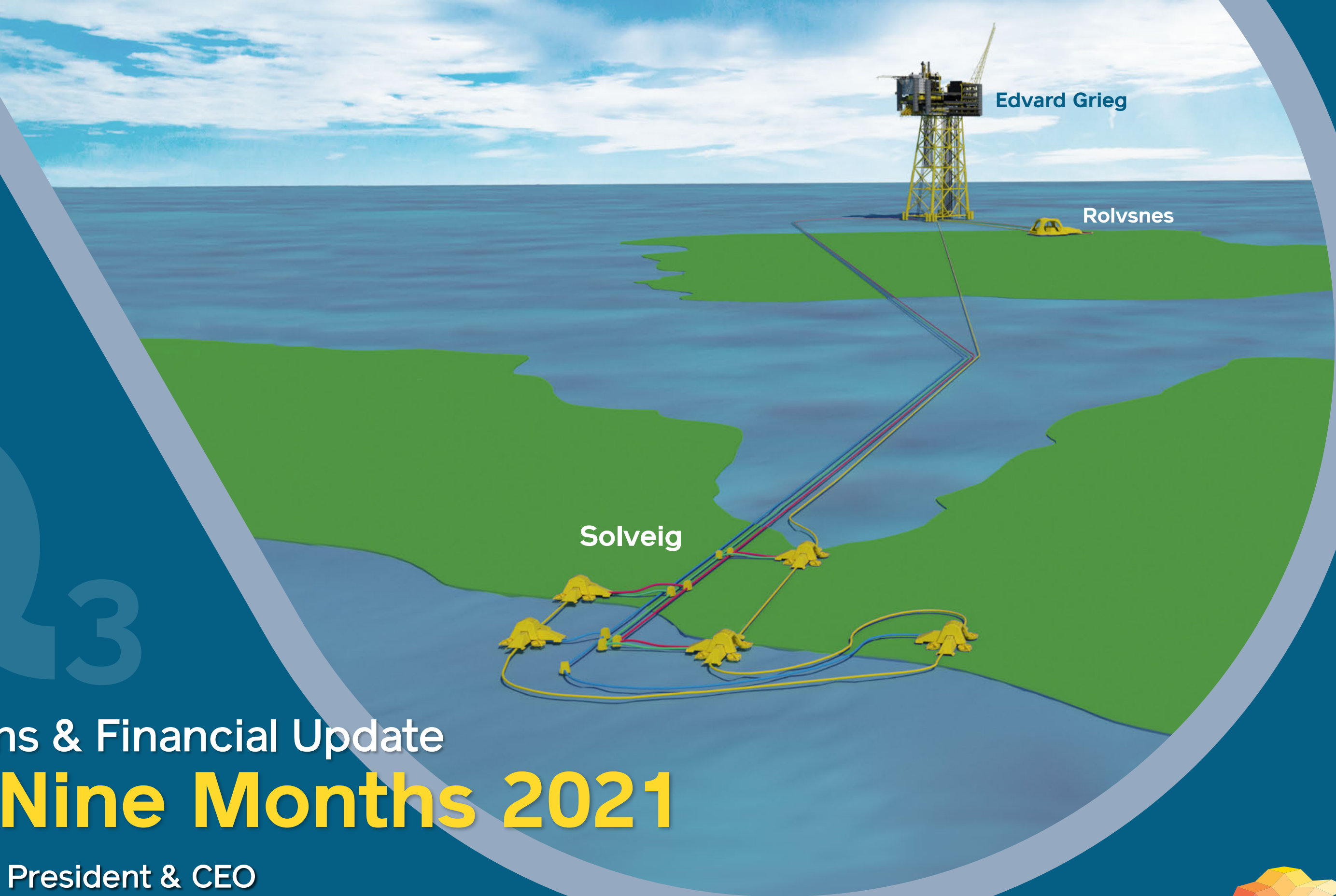
Operations & Financial Update

First Nine Months 2021

Nick Walker, President & CEO

Teitur Poulsen, CFO

29 October 2021



First Nine Months 2021 Record Results

Growth

Record Production

Q3 **194** Mboepd

Full year towards top of guidance⁽¹⁾

Projects on track

Solveig / Rolvsnes **First Oil** achieved
on schedule / below budget

Wisting Acquisition

130 MMboe at **2.5** USD/boe

Resilience

Low Opex

9M **2.9** USD/boe
below guidance⁽²⁾

Record Financial Results

FCF 9M **1.6** Bn USD
Reduced net debt **2.6** Bn USD

Dividend Increase

Proposed **2.25** USD/share for 2021⁽³⁾
25% increase

Sustainability

Accelerating Carbon Neutral

to **2023**
operational emissions

~60% of production

**Certified Carbon Neutrally
Produced⁽⁴⁾**

Metsälamminkangas (MLK)

wind farm **First Power**

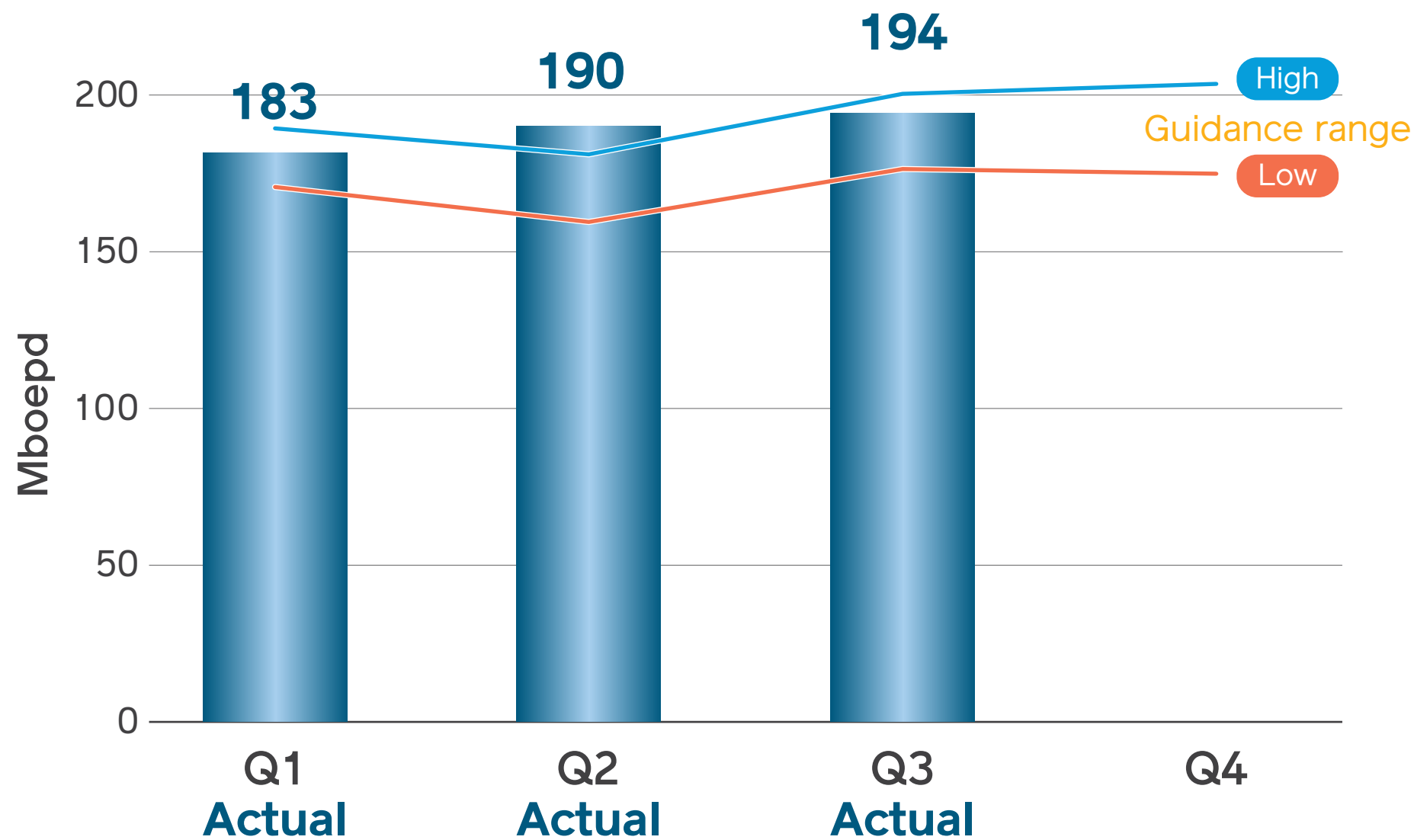
⁽¹⁾ Increased guidance of 180 to 195 Mboepd ⁽²⁾ CMD guidance ⁽³⁾ Board of directors anticipates to propose to the AGM 2022 ⁽⁴⁾ Carbon neutral at FOB

Lundin Energy 2021 Production

Record quarterly production

194 Mboepd

towards top of guidance



Full year guidance

180–195 Mboepd

Delivering guidance
or better for

25
quarters
running

Lundin Energy

Top Tier Operating Performance

Production Efficiency ^(1,2)

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

Operating Costs

2.90 USD/boe⁽¹⁾ | Full year guidance **3.00** USD/boe
Quarter of North Sea average

Carbon Intensity

2.9 kg CO₂/boe⁽¹⁾ | Full year guidance **<4** kg CO₂/boe
Approximately one sixth of world average

HSE Performance

Zero material incidents ⁽¹⁾

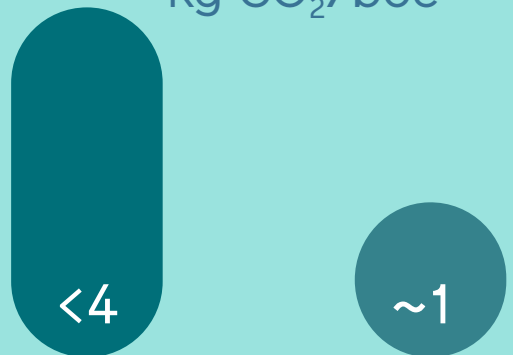


⁽¹⁾ First nine months 2021 ⁽²⁾ Includes planned outages

Lundin Energy Carbon Neutral by 2023

~60% of barrels now sold as Certified Carbon Neutrally produced⁽³⁾

Carbon Intensity ⁽¹⁾
kg CO₂/boe



2020-2022

by 2023



Absolute Emissions Reductions -50% ⁽¹⁾

Carbon Neutral by 2023
(operational emissions) ⁽²⁾



VERIFIED
CARBONZERO

JOHAN SVERDRUP—39,142,000 BOe
17,653 tCO₂e OFFSET
PER CARBONZERO-01

⁽¹⁾ Net equity Scope 1 and 2 emissions

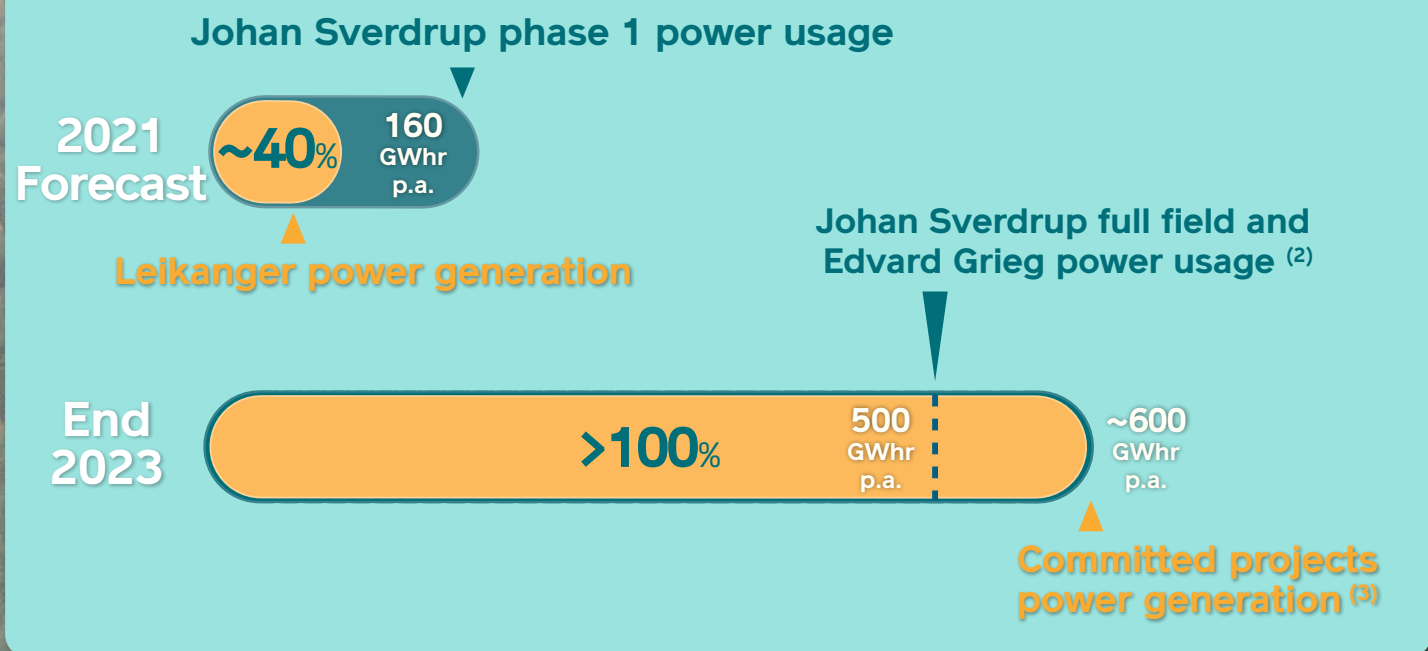
⁽²⁾ Scope 1, 2 and material scope 3 supply chain emissions

⁽³⁾ Carbon neutral up to point of sale

Photo: Spain, carbon capture project (Landlife)

Lundin Energy Powered by Renewables

Renewable Power Generation offsetting usage ⁽¹⁾



(1) Forecast net Lundin working interest power usage and generation
 (2) 600 GWh p.a. with Wisting (2028)
 (3) Leikanger, Metsälamminkangas (MLK) and Karskruv projects



Johan Sverdrup

Delivering Above Expectations

Excellent
Reservoir
Performance

Carbon
Footprint ⁽¹⁾
<0.1
kg CO₂/boe

Production
Efficiency ⁽¹⁾
98%



Full field production capacity ⁽²⁾

755
Mbopd

Low operating costs ⁽¹⁾

1.66
USD/bbl

Full field reserves ⁽²⁾

2.2-3.2
Bn boe

Full field breakeven price

<15
USD/boe

⁽¹⁾ First nine months 2021

⁽²⁾ Gross

Johan Sverdrup Phase 2 On Track

~65%
complete

First Oil on schedule
Q4 2022

41⁽¹⁾
Bn NOK

Capex unchanged
from PDO

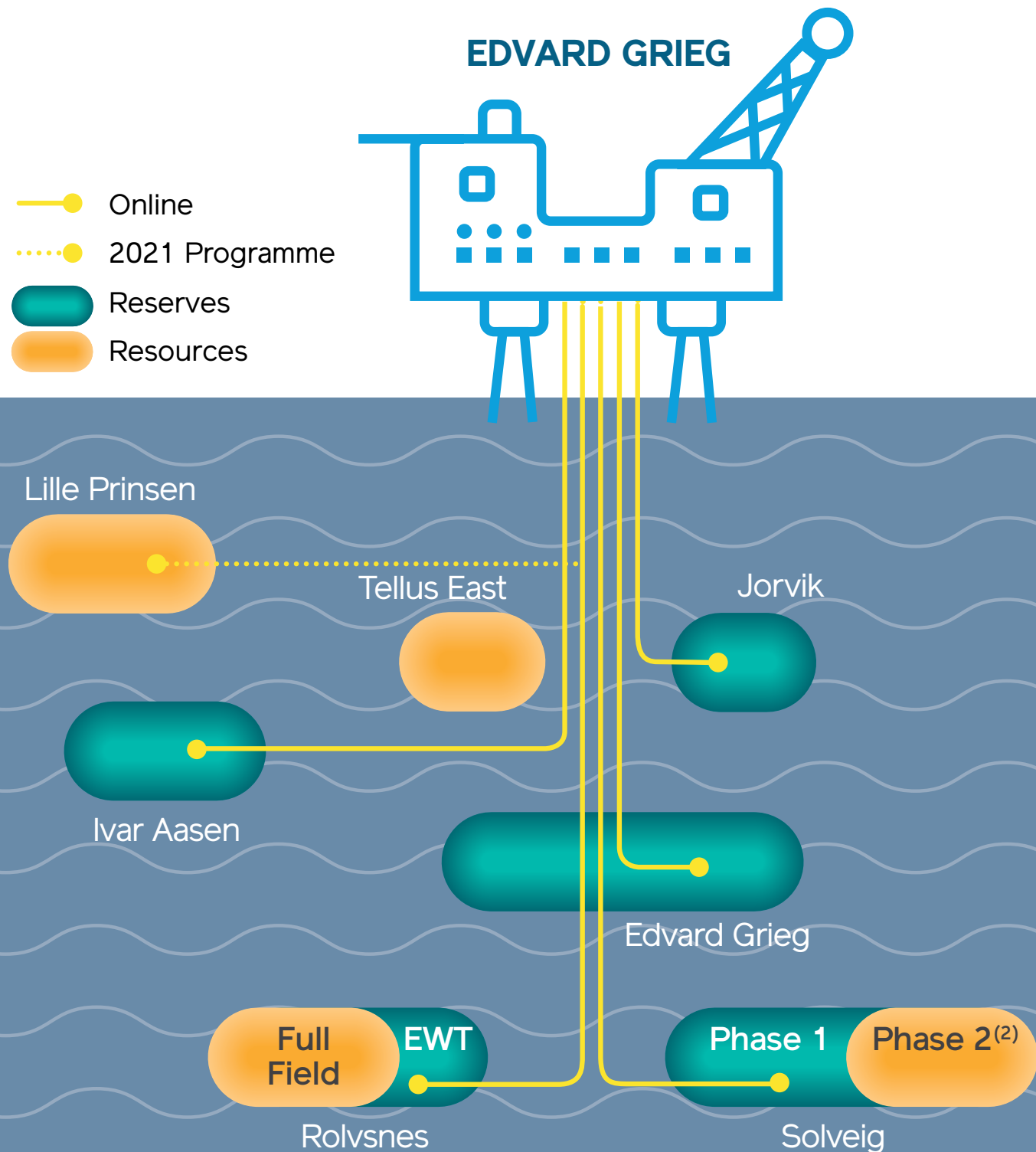


P2 Platform
Successfully assembled in Norway
Offshore installation Q2 2022

⁽¹⁾Gross

Greater Edvard Grieg Area

Keeping the Facilities Full



OPEX
3.87
 USD/boe ⁽¹⁾

➤ Edvard Grieg

- 3 infill wells completed
- Additional capacity with Ivar Aasen decline
- Power from shore online end 2022
- Lille Prinsen successful well test

➤ Tie back projects - online

- Solveig Phase 1, Rolvsnes Extended Well Test (EWT)

⁽¹⁾ First Nine Months 2021, includes tariff netting

⁽²⁾ Including Segment D

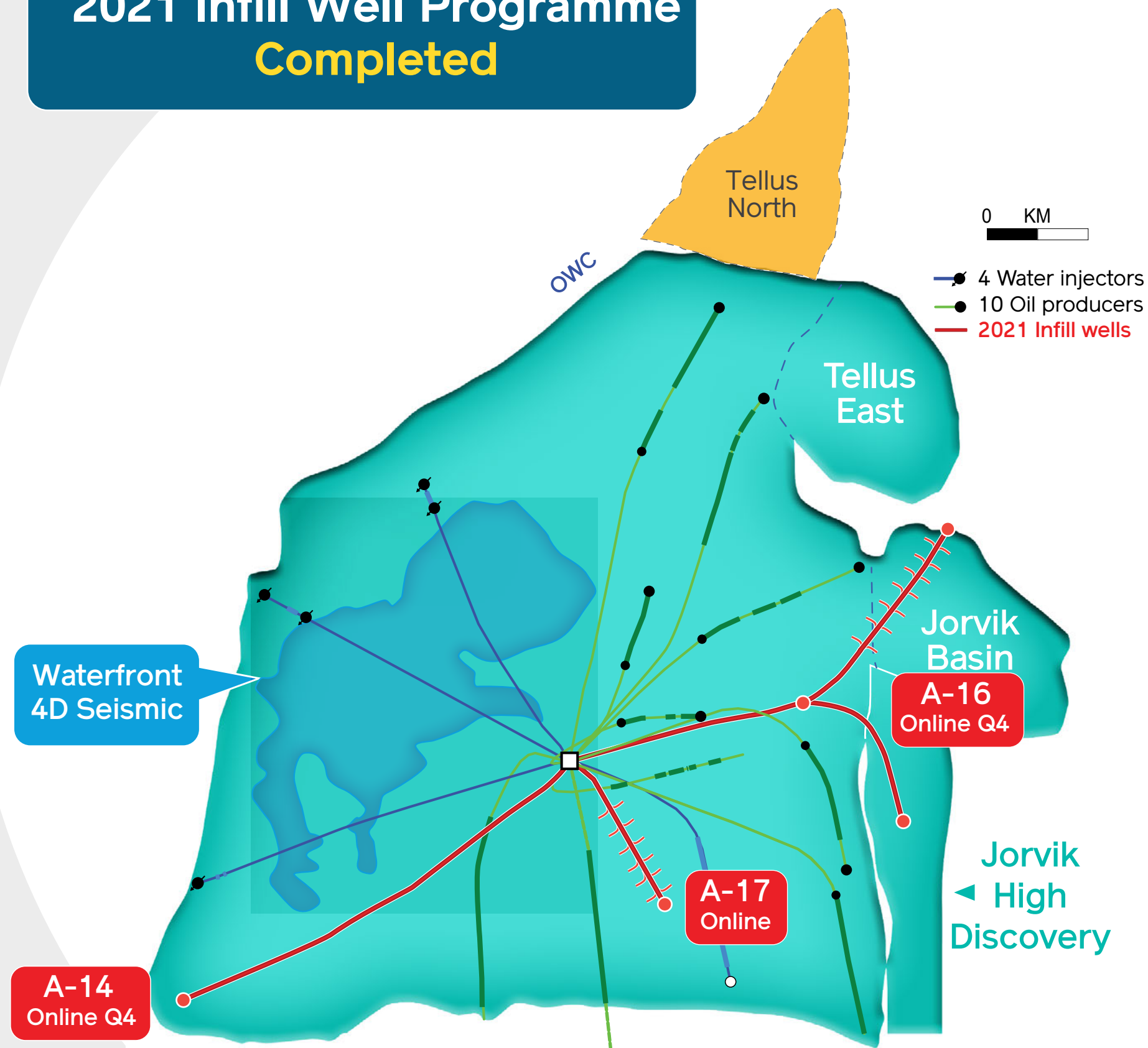
Edvard Grieg Increasing Reserves

Reservoir performance continues to **exceed expectations**

Reserves increase
expected year end 2021

Planning ongoing for
future infill programme

2021 Infill Well Programme Completed



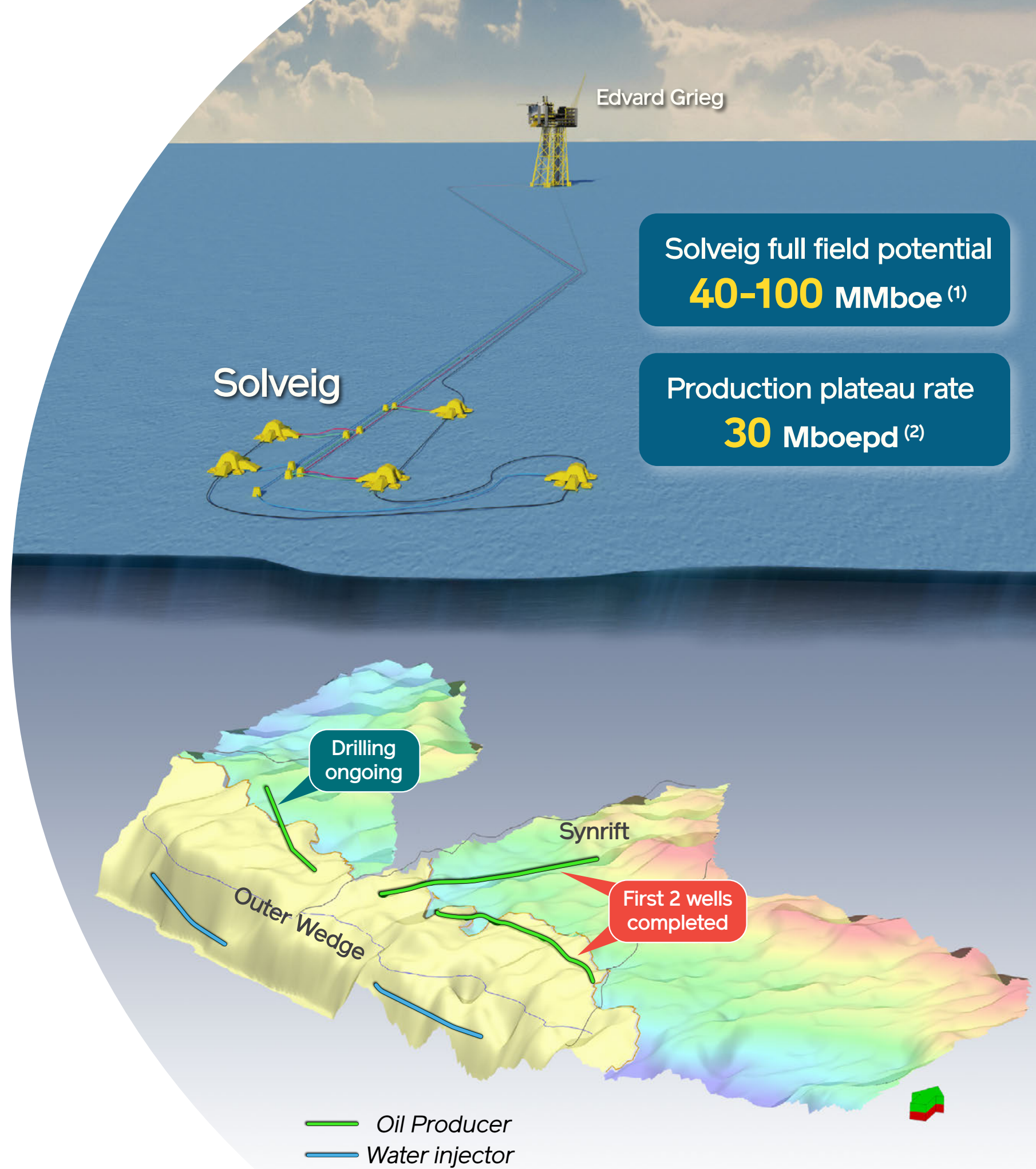
Solveig Phase 1

First Oil Achieved

Delivered on schedule
and below budget

First two development
wells completed
reserves increase expected

Phase 2 development
de-risked with production
experience



⁽¹⁾ Gross resources

⁽²⁾ Gross

Rolvsnes Extended Well Test

First Oil Achieved

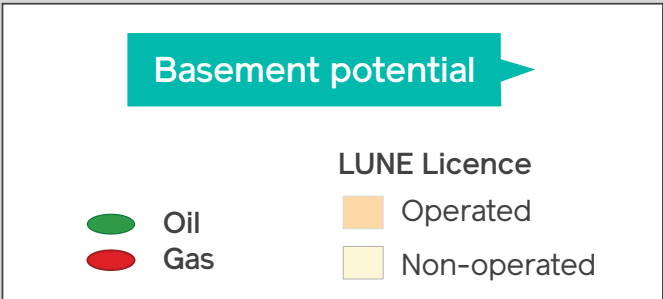
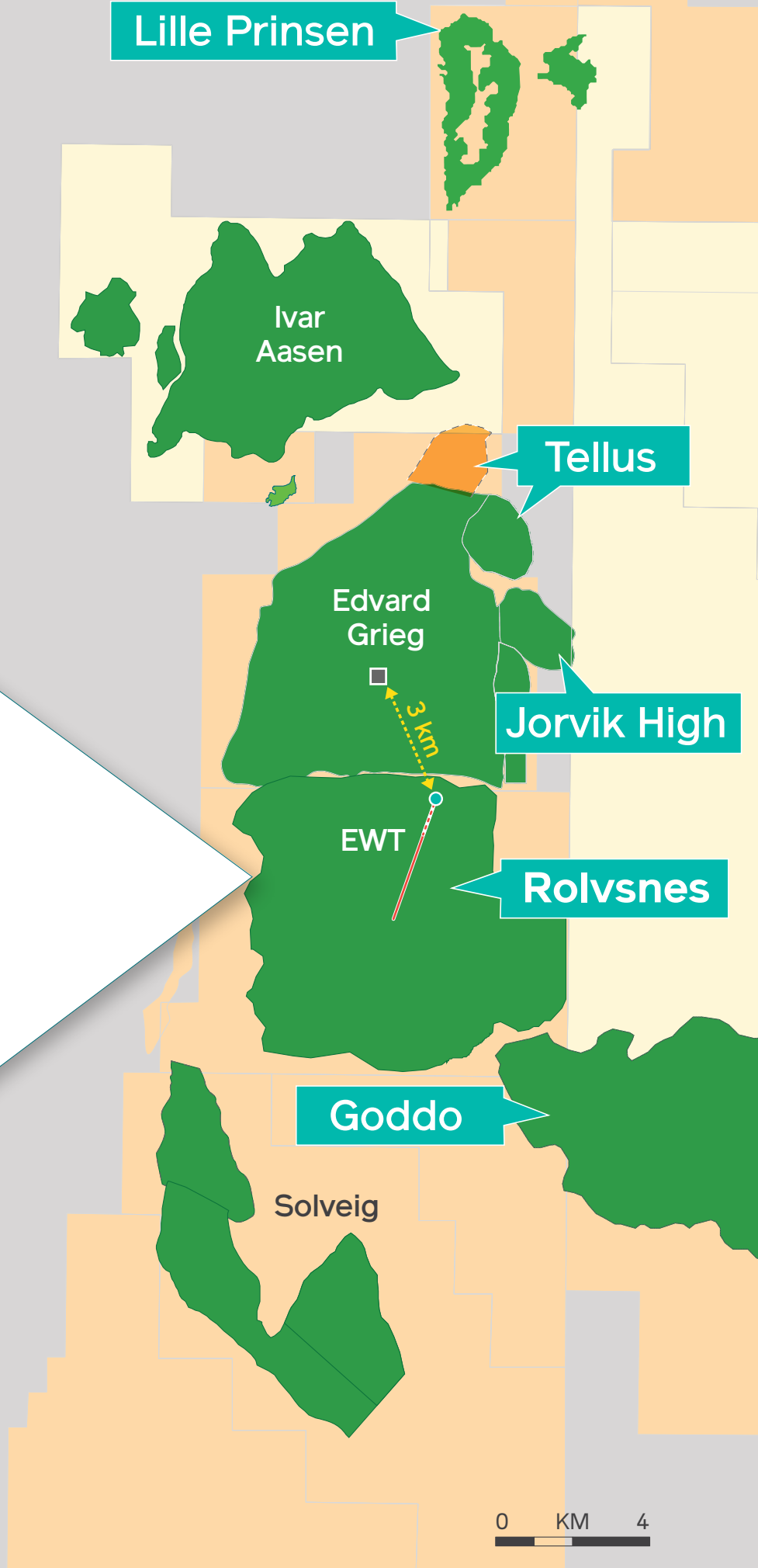
Delivered on schedule and on budget

Production performance in line with expectations

Full field PDO submission end 2022 ⁽¹⁾ benefitting from tax incentives

Success could unlock significant basement potential in the Utsira High

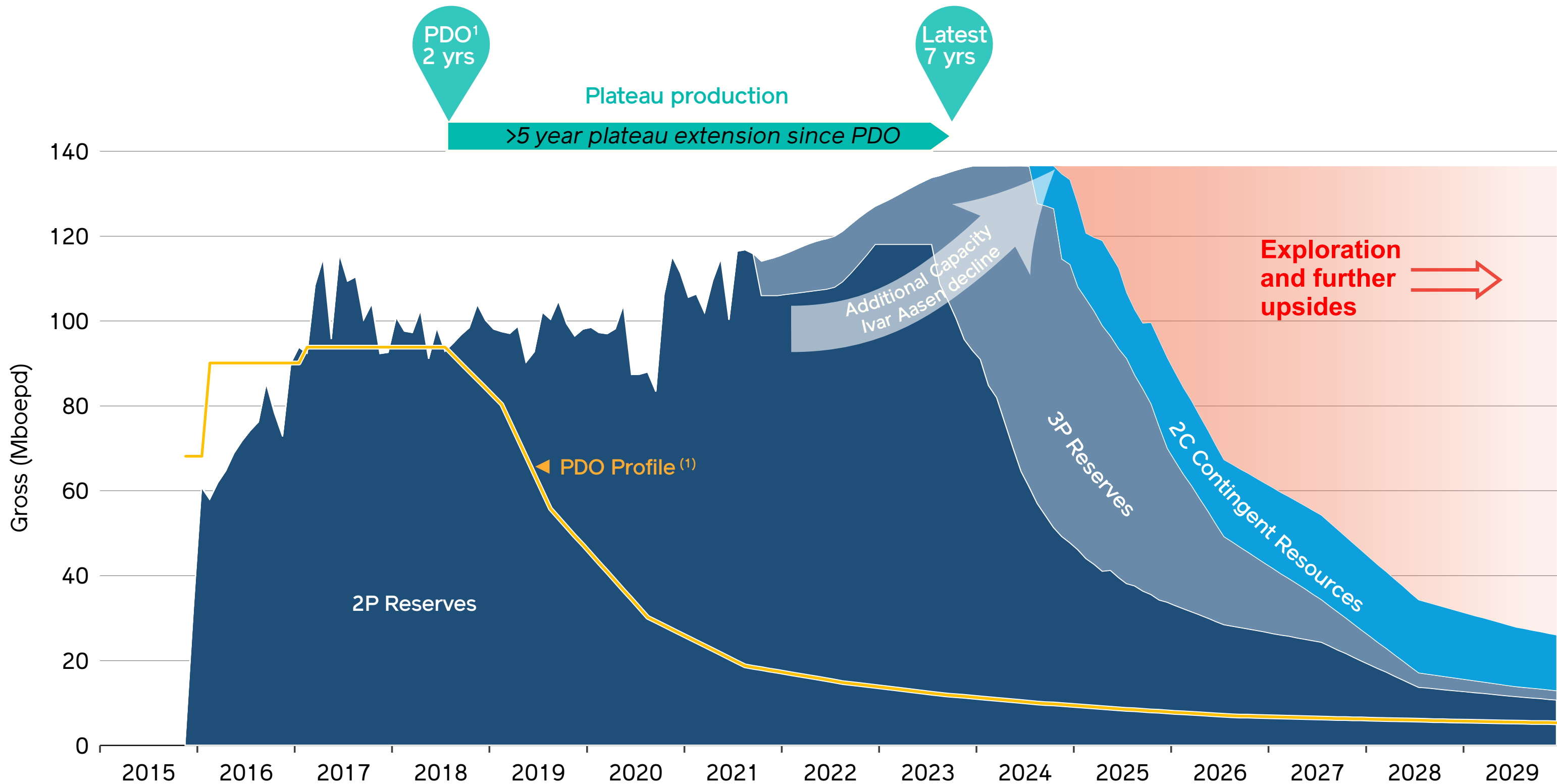
Rolvsnes full field potential **14–78 MMboe ⁽²⁾**



⁽¹⁾ On successful EWT ⁽²⁾ Gross resources

Greater Edvard Grieg Area

Sustaining Long-term Production



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

Alvheim Area

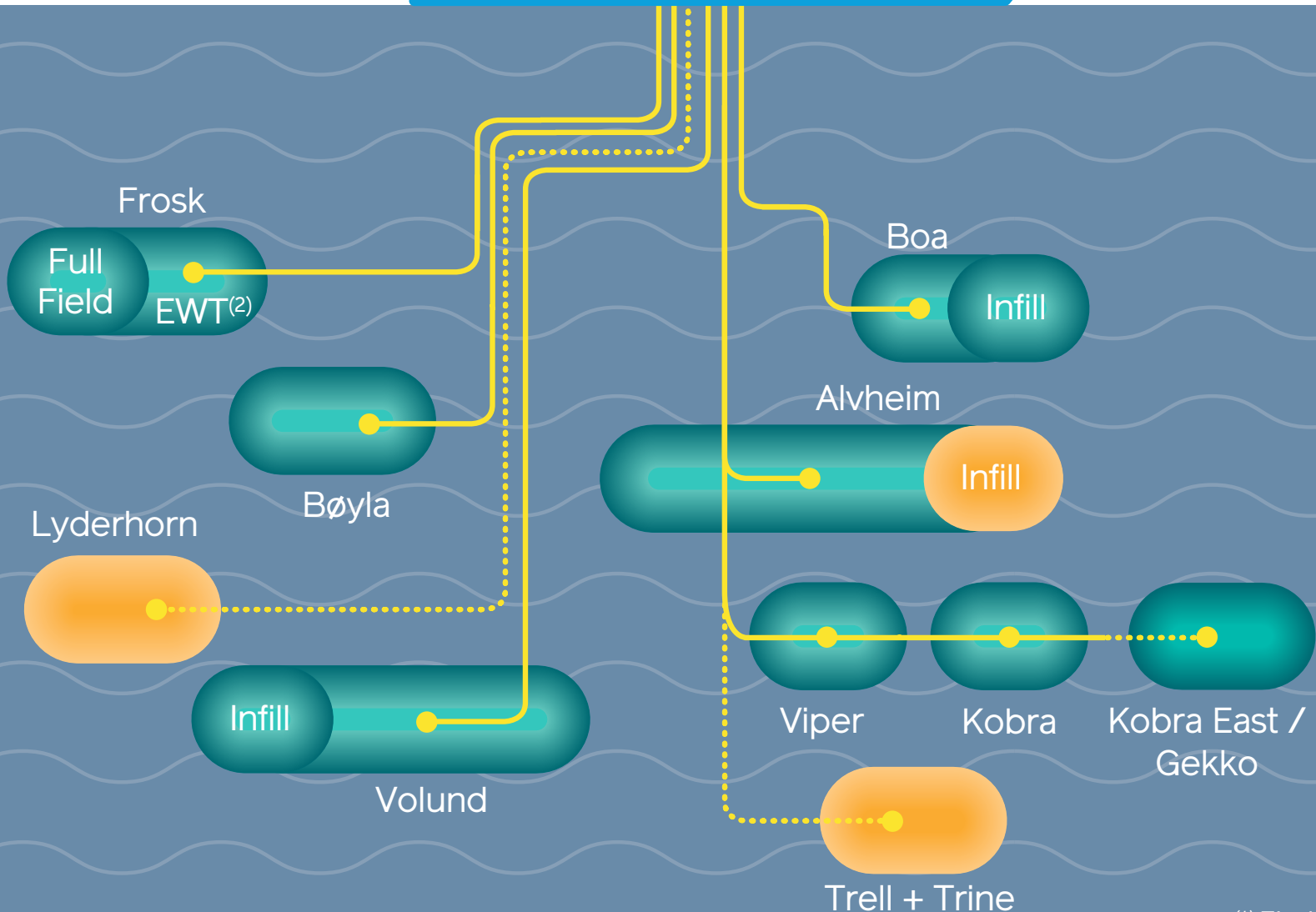
Continually Growing Reserves

- Online
- - -● Future opportunities
- Reserves
- Resources



OPEX
7.41
USD/boe ⁽¹⁾

New Project Potential⁽²⁾
Resources - **65** MMboe
Production - up to **45** Mboepd



- ➔ **3 infill wells planned – 2 online**
- ➔ **New projects**
 - ➔ Kobra East / Gekko - PDO submitted
 - ➔ Frosk - PDO submitted
 - ➔ Trell & Trine - concept studies ongoing
- ➔ **Lyderhorn exploration well Q4 2021**

⁽¹⁾ First Nine Months 2021 ⁽²⁾ Gross, includes KEG, Frosk, Trell & Trine and infill wells ⁽³⁾ Extended Well Test

Wisting Development

Strategic Acquisition - New Core Production Area

Wisting 25% acquisition⁽¹⁾

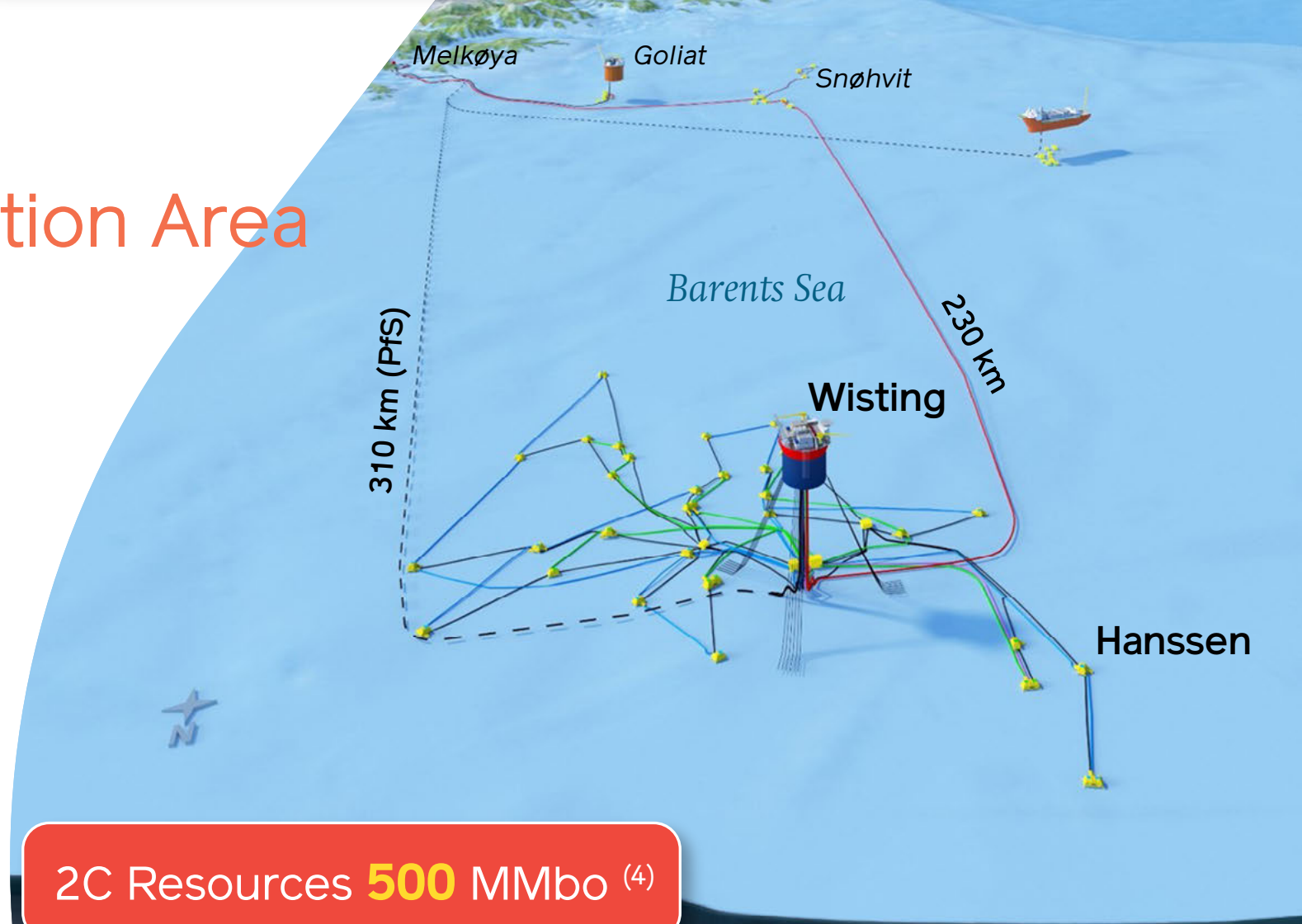
~**2.5** USD/boe

Adds **37** Mbopd net production⁽²⁾

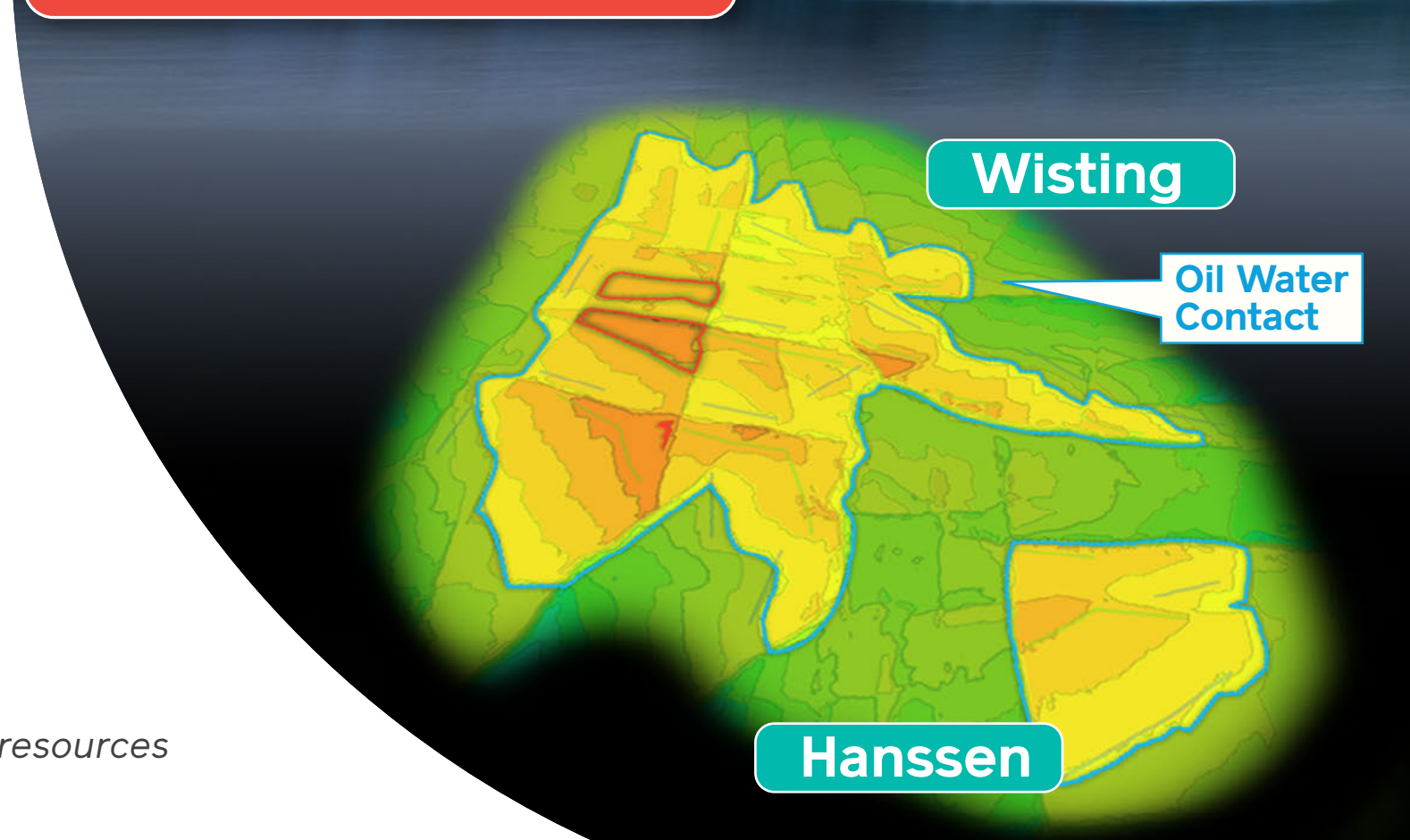
Adds **130** MMboe net resources

Development Project
 Concept Selection - Imminent
 PDO Submission - **Q4 2022**

Near field exploration
 potential **500 MMbo**⁽³⁾



2C Resources **500** MMbo ⁽⁴⁾



⁽¹⁾ Increasing Lundin Energy's working interest to 35%

⁽²⁾ From 2028

⁽³⁾ Gross unrisked prospectives resources

⁽⁴⁾ Gross

Lundin Energy

Sustaining Production >200 Mboepd

Delivering Growth

>**200** Mboepd by 2023
3 projects online
3 projects underway

Sustaining Production

Pipeline of new projects
2 heading to sanction
3 being de-risked
Accelerated by tax Incentives

Delivering Future Value

Wisting acquisition
Material future
Exploration programme

Third Quarter 2021 Financial Highlights

Production and sales

Produced: **194** Mboepd
Sales: **201** Mboepd

Good price realisation

Oil: **72** USD/bbl
Gas: **101** USD/boe

Costs and investments

Opex: **3.05** USD/boe
Oil & gas capex / E&A: **322** MUSD
Renewable capex: **21** MUSD

Strong cash generation

EBITDAX: **1,283** MUSD
CFFO: **1,012** MUSD
FCF ⁽¹⁾: **674** MUSD

Deleveraging and ratios

Net debt end Q3: **2,647** MUSD
Net debt / EBITDAX ⁽²⁾: **0.7x**

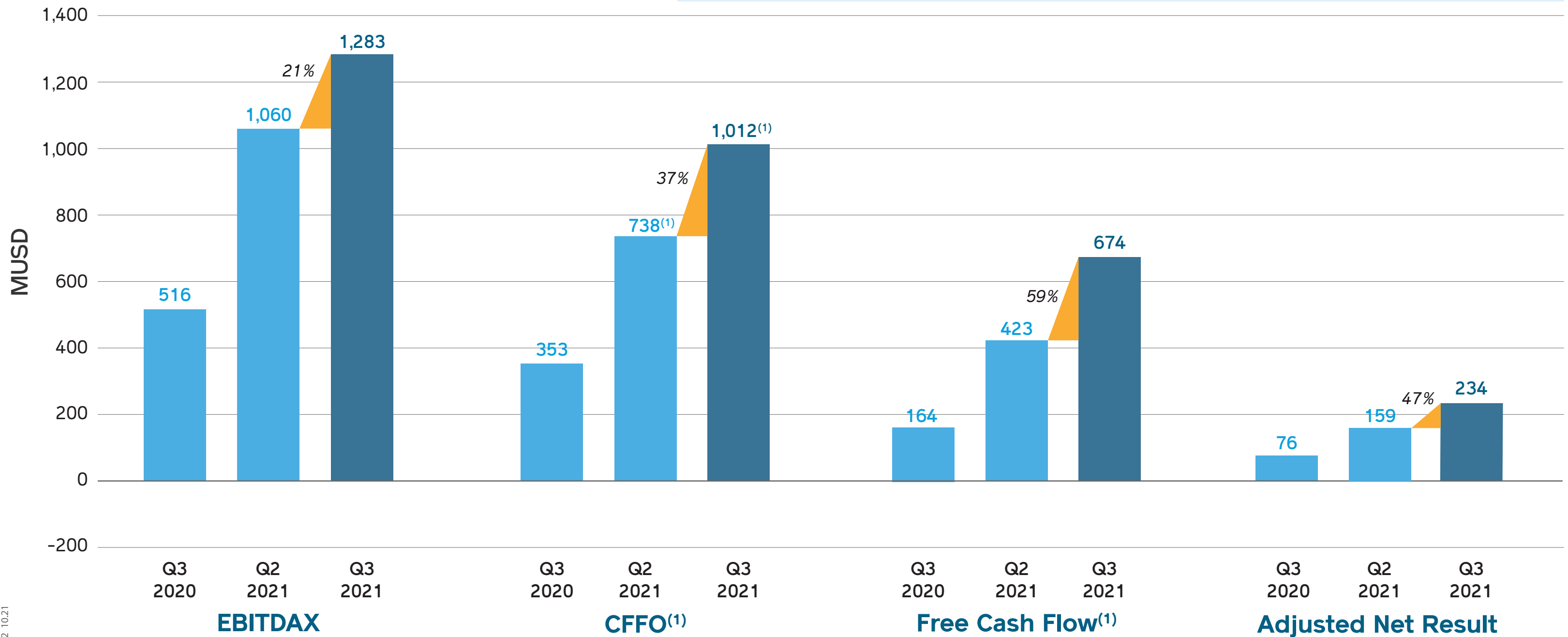
⁽¹⁾ Pre-dividends

⁽²⁾ Bonds plus bank loan less cash and cash equivalents divided by EBITDAX of the last 12 months

Third Quarter 2021

Key Financial Metrics

	Q3-20	Q2-21	Q3-21	Q3 vs Q3	Q3 vs Q2
Sales Price (USD/boe)	40.7	66.7	72.8	79%	9%
Sales Volumes (MMboe)	13.4	16.4	18.5	38%	13%



⁽¹⁾ Negatively impacted in Q2-21 by working capital movements of MUSD 42; positively impacted in Q3-21 by working capital movements of MUSD 91

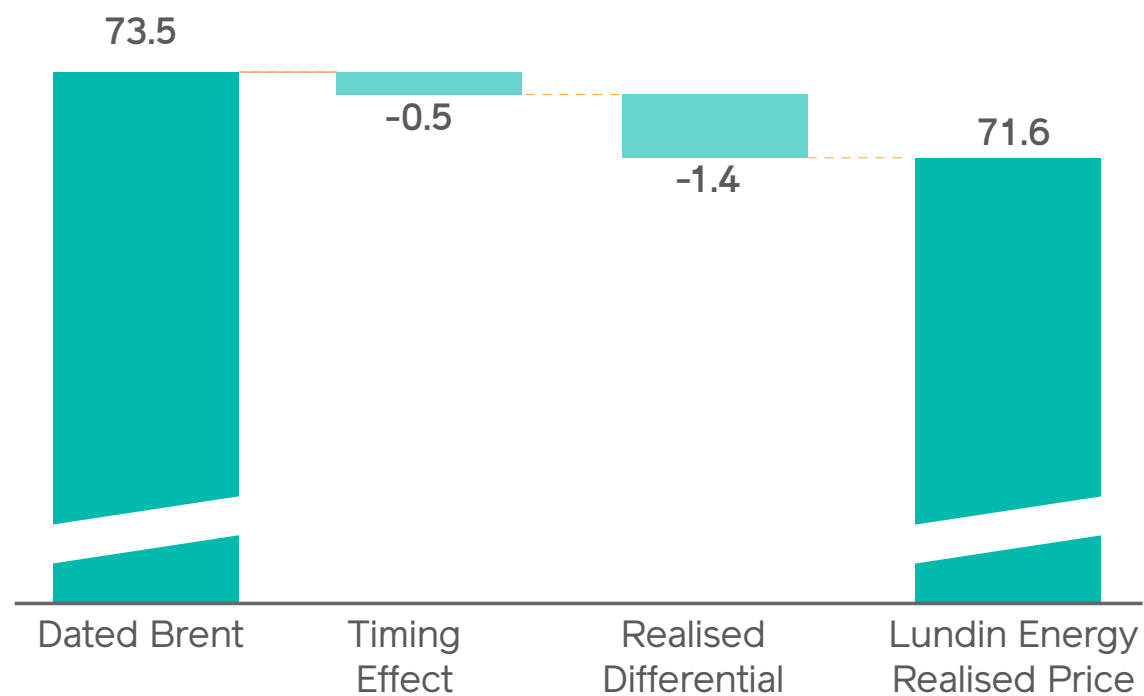
Third Quarter 2021

Good Price Realisation

Revenues in MUSD

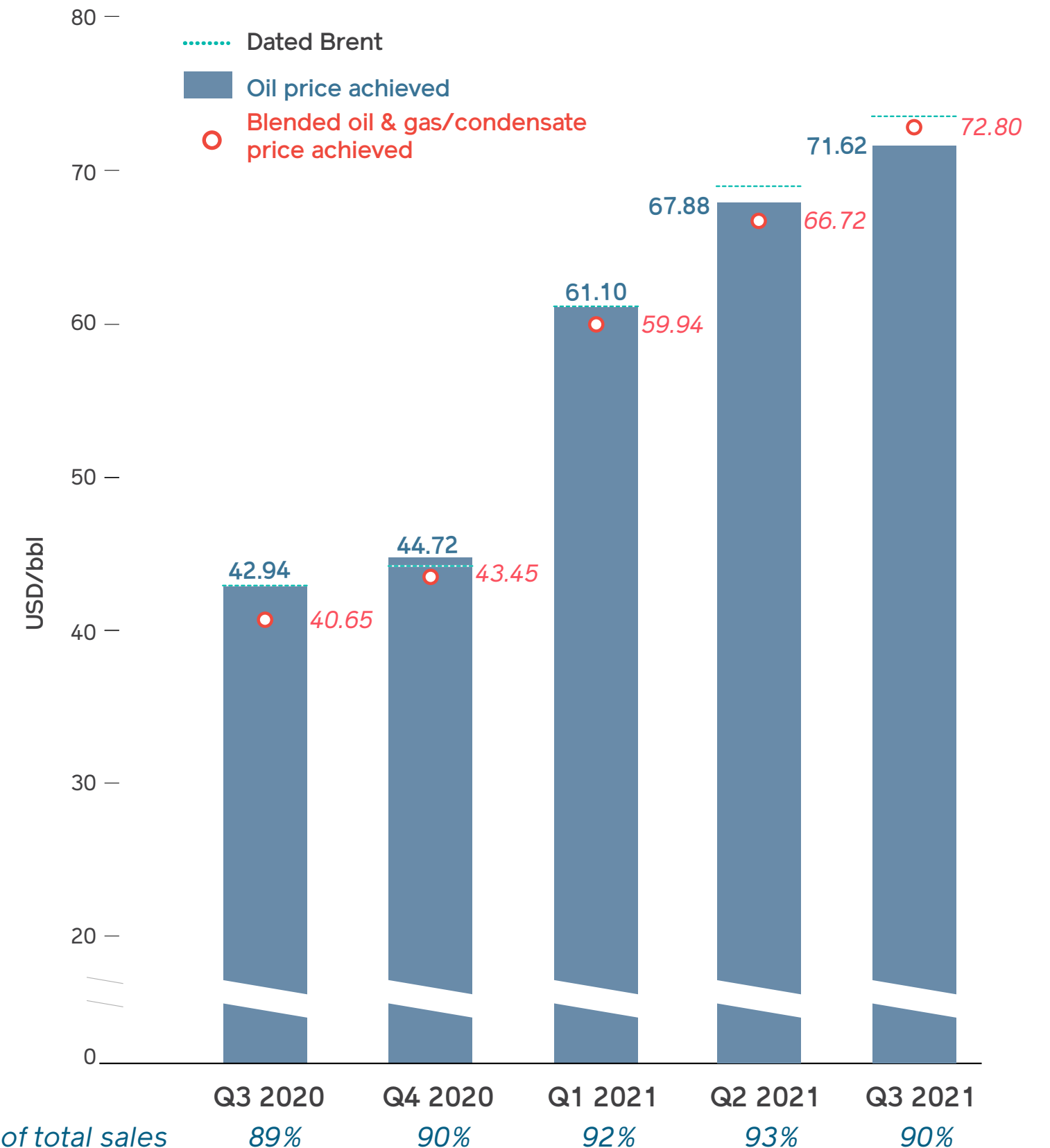
	2021	
	9M	Q3
Crude oil ⁽¹⁾	3,262	1,192
Gas	214	118
Condensate	69	38
	3,545	1,348

Q3 2021
Crude Realised Prices (USD/bbl)



¹⁾ crude oil revenue from own production

21 oil cargoes lifted during Q3



Third Quarter 2021 Gas Sales

All gas sold at spot, day ahead pricing

Edvard Grieg and Alvheim sold into UK
at St.Fergus

Johan Sverdrup is sold from the
Kårstø terminal into Dutch market

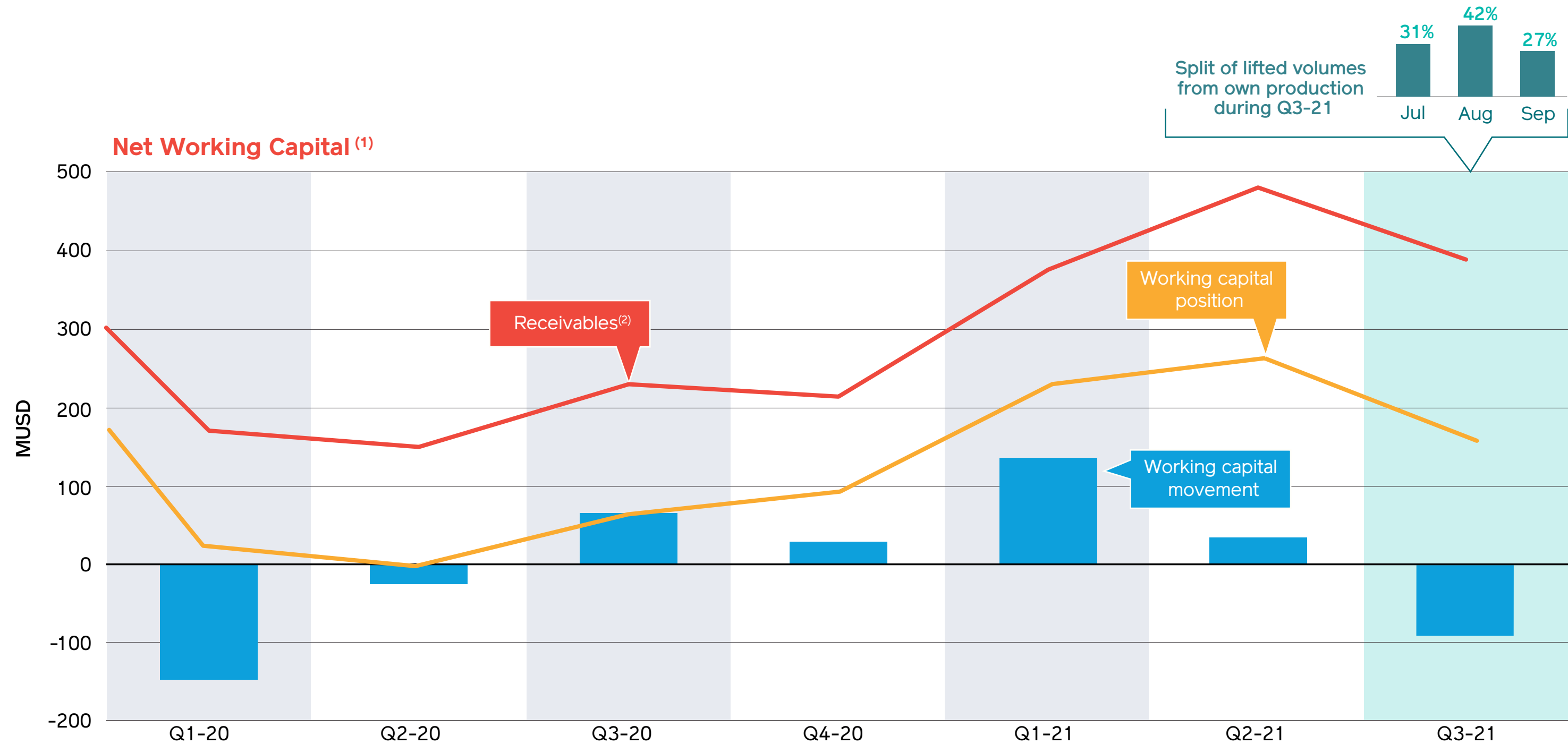
In 2023 ~2 Mboepd of additional gas sales
from Edvard Grieg electrification
and Johan Sverdrup Phase 2

Gas Sales Volumes and Realised Prices



Third Quarter 2021

Working Capital



➤ Receivables are driven by lifted volumes and prices during the last month of the quarter

(1) Trade and other receivables minus trade and other payables

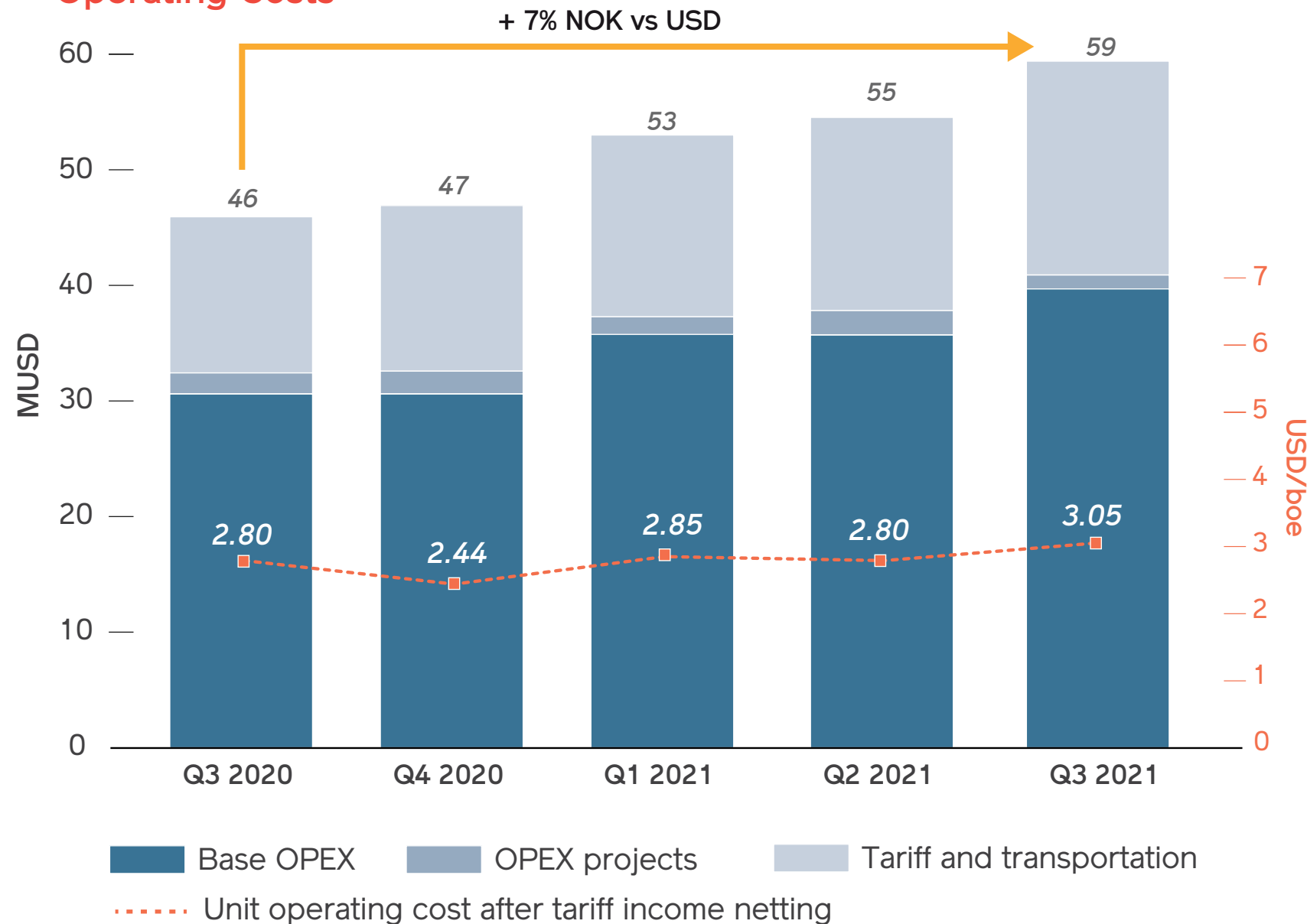
(2) Trade receivables plus cargo liftings not yet invoiced by the end quarter

Third Quarter 2021

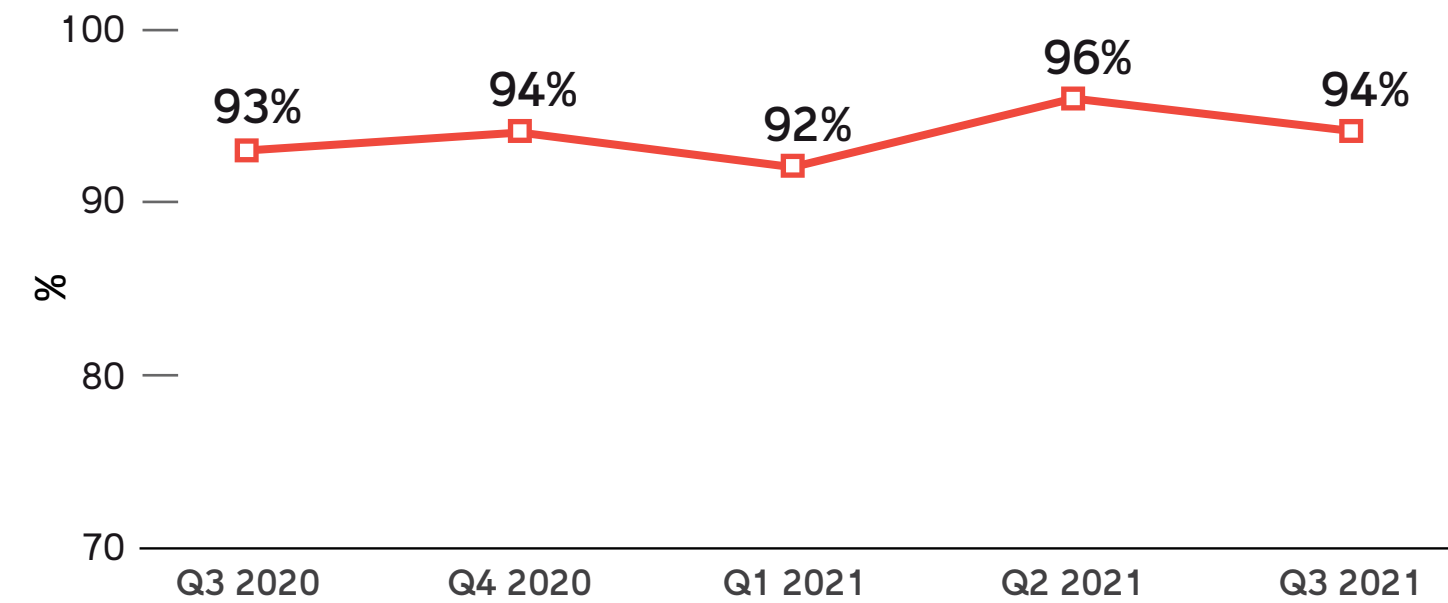
Operating Costs & EBITDAX Margin

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

Operating Costs⁽¹⁾



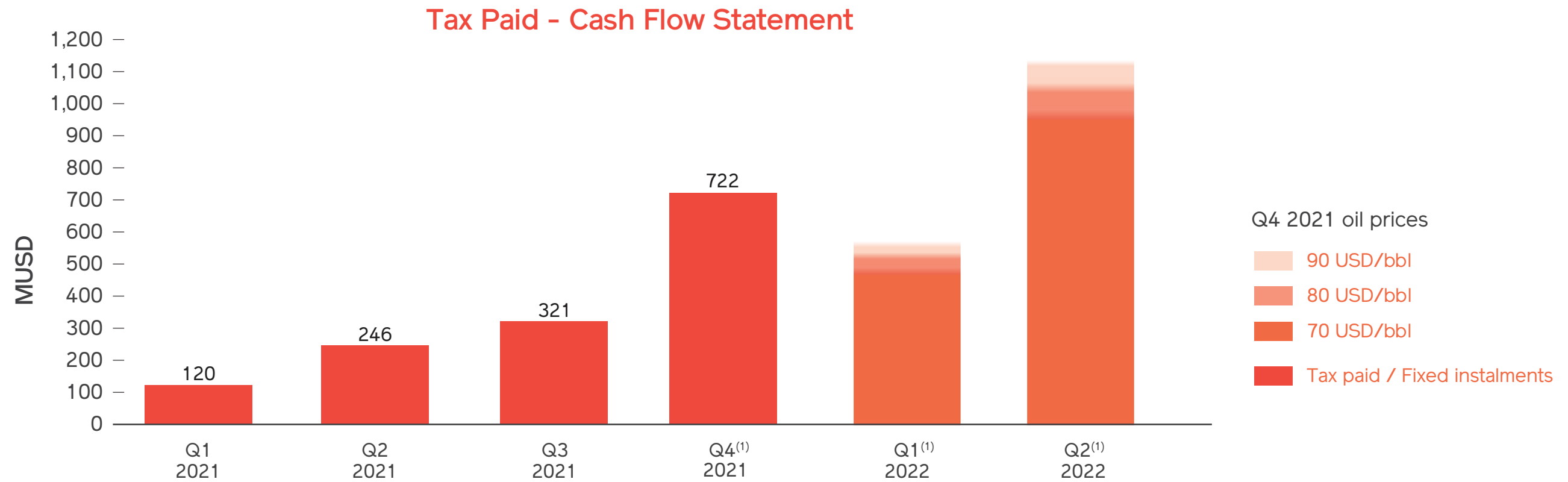
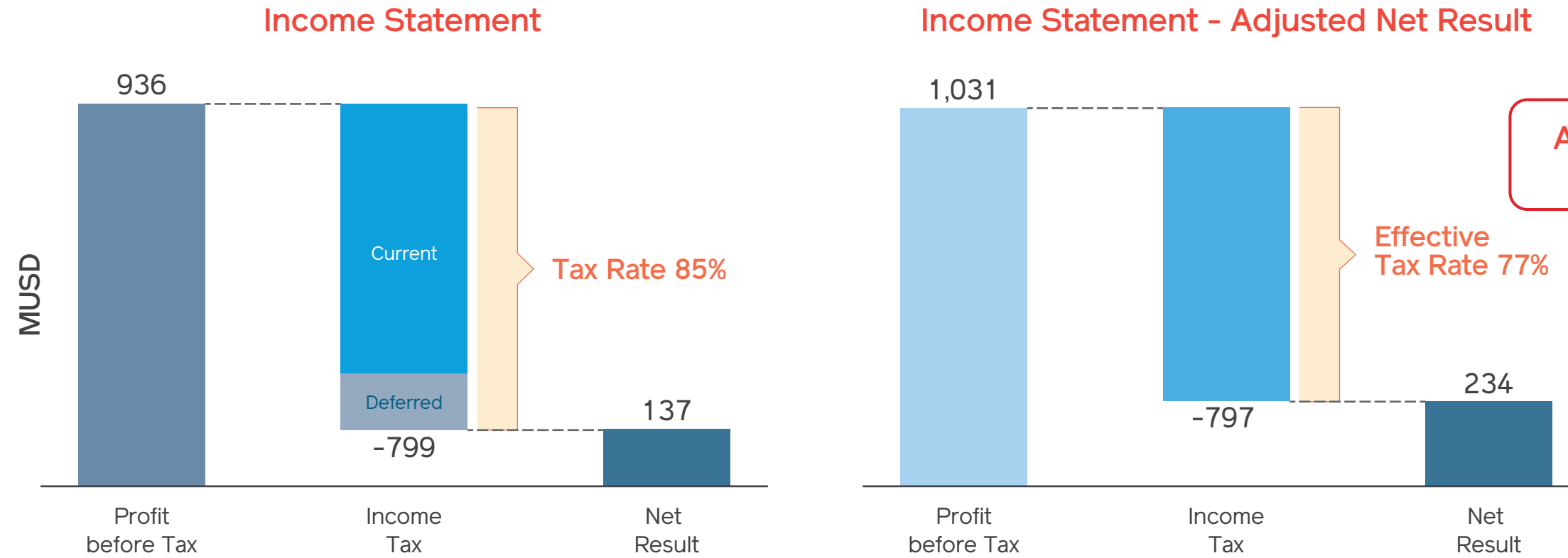
EBITDAX Margin



⁽¹⁾ Excludes: Under/overlift, inventory

Third Quarter 2021

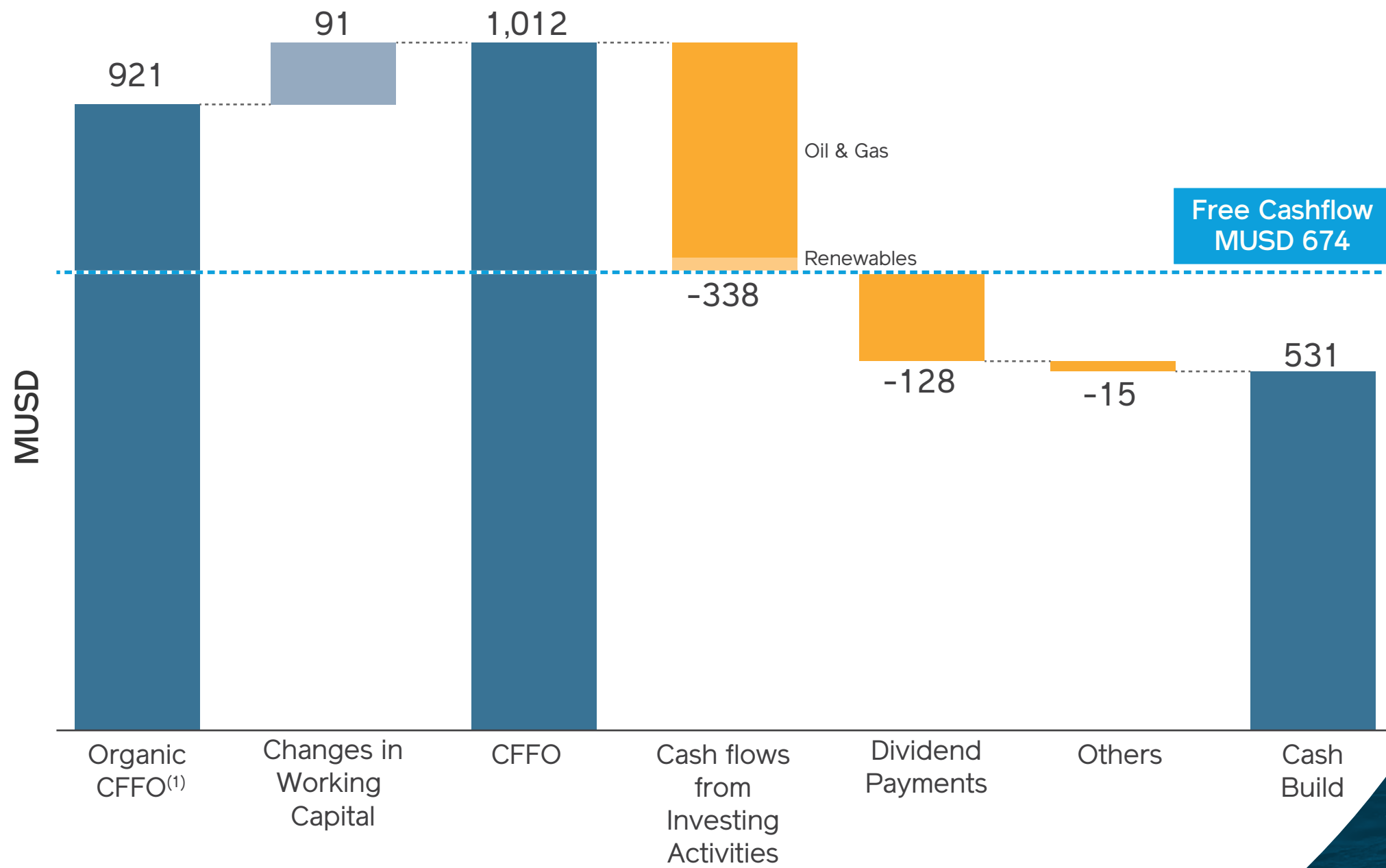
Income Taxes



⁽¹⁾ Based on USD/NOK fx rate of 8.50

Third Quarter 2021

Cash Flows

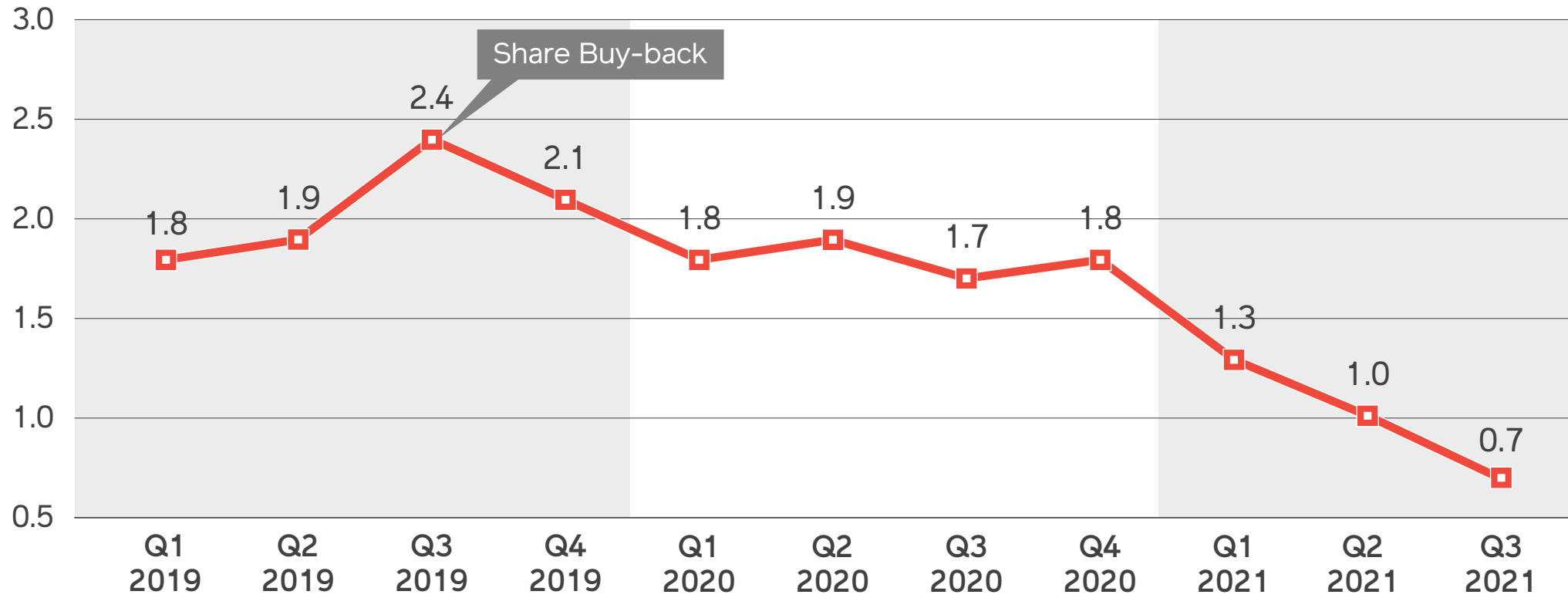


⁽¹⁾ Excludes changes in working capital

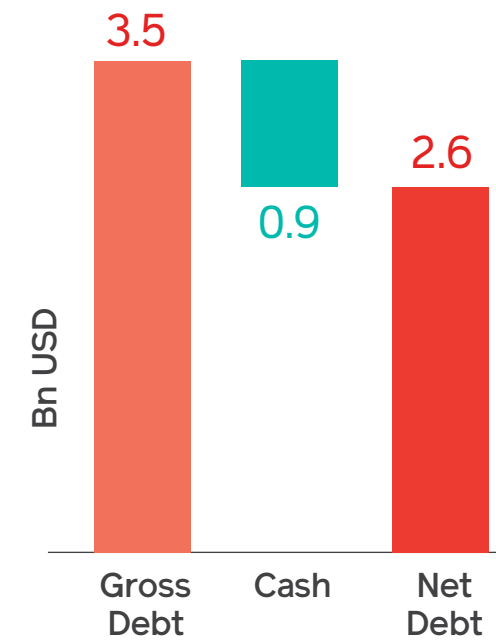
Third Quarter 2021

Debt Position and Liquidity

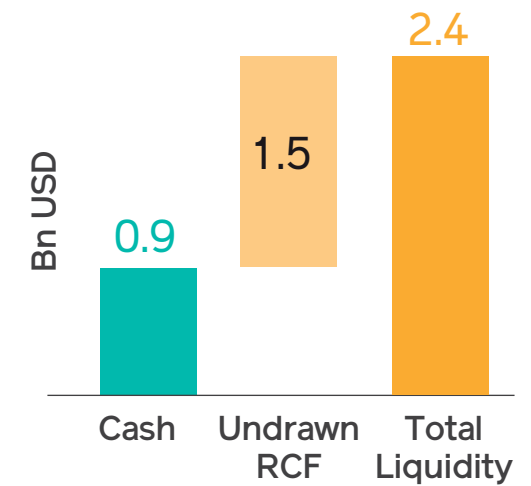
Debt Gearing – Net Debt/EBITDAX ⁽¹⁾



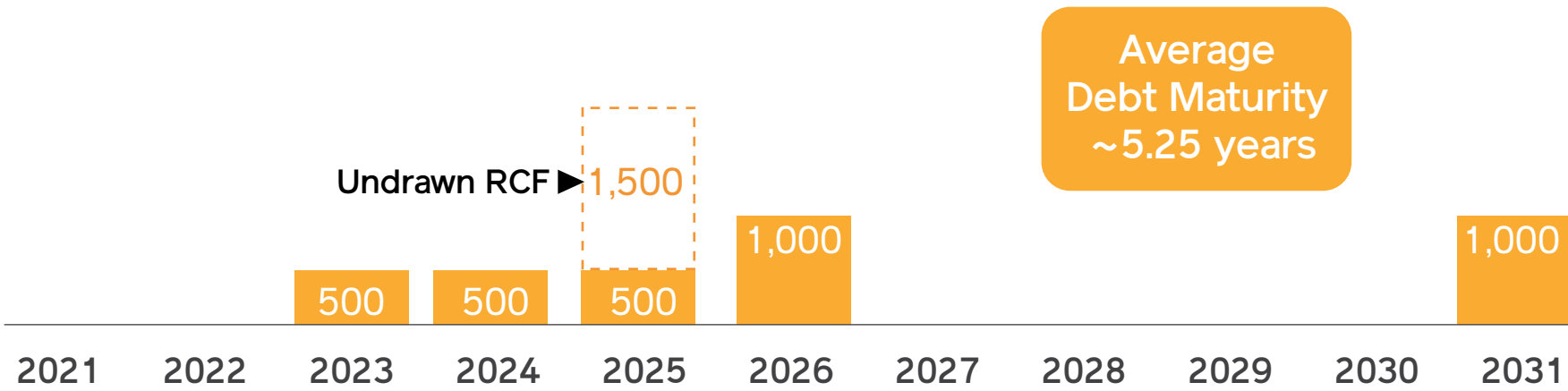
Debt end Q3



Liquidity end Q3



Debt Maturity



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

⁽¹⁾Last 12 months

2021 Latest Guidance Compared to CMD

	Full Year CMD 50 USD/bbl	Full Year Latest Guidance	9M 2021 Actuals
Production (Mboepd)	170-190	180-195	189
Operating costs (USD/boe)	3.00	3.00	2.90
CAPEX - Oil & Gas (MUSD)	850	770	562
E&A Expenditure (MUSD)	260	325	242
Decommissioning Expenditure (MUSD)	20	15	11
Capex - Renewables/Reforestation (MUSD)	70	100	75

Lundin Energy

Dividends

➔ 2020 dividend of USD 1.80/share approved by AGM on 30 March 2021

➔ Dividend schedule - quarterly payment

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

➔ 2021 anticipated dividend proposal

Board of Directors anticipates to propose to the AGM 2022, a 2021 dividend of USD **2.25** per share, corresponding to MUSD **640**, an increase of **25** percent from 2020 dividend

⁽¹⁾ Paid out in SEK

Lundin Energy Record Results

Safe and
responsible
operations

- **World class assets keep outperforming**
 - record production and operating costs below guidance
- **Record free cash flow** and strong financial outlook
 - supports increased dividend proposal
- **Key projects on track** delivering growth to **>200 Mboepd by 2023**
 - sustained with **pipeline of opportunities**
- **Strategic Wisting acquisition**, supports long-term production outlook
- Plan for **Carbon Neutral** operations further accelerated **to 2023**
 - **60% of production carbon neutrally produced** today

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