



First-Quarter 2025

Financial and Operational Supplement

May 7, 2025

APA
Corporation

Notice to Investors

Certain statements in this earnings supplement contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 including, without limitation, expectations, beliefs, plans, and objectives regarding anticipated financial and operating results, asset divestitures, estimated reserves, drilling locations, capital expenditures, price estimates, typical well results and well profiles, type curve, and production and operating expense guidance included in this earnings supplement. Any matters that are not historical facts are forward looking and, accordingly, involve estimates, assumptions, risks, and uncertainties, including, without limitation, risks, uncertainties, and other factors discussed in our most recently filed Annual Report on Form 10-K, recently filed Quarterly Reports on Form 10-Q, recently filed Current Reports on Form 8-K available on our website, www.apacorp.com, and in our other public filings and press releases. These forward-looking statements are based on APA Corporation's (APA) current expectations, estimates, and projections about the company, its industry, its management's beliefs, and certain assumptions made by management. No assurance can be given that such expectations, estimates, or projections will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results, or other expectations expressed in this earnings supplement, including the company's ability to meet its production targets, successfully manage its capital expenditures and to complete, test, and produce the wells and prospects identified in this earnings supplement, to successfully plan, secure necessary government approvals, finance, build, and operate the necessary infrastructure, and to achieve its production and budget expectations on its projects.

Whenever possible, these "forward-looking statements" are identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "continues," "could," "estimates," "expects," "goals," "guidance," "may," "might," "outlook," "possible," "potential," "projects," "prospects," "should," "would," "will," and similar phrases, but the absence of these words does not mean that a statement is not forward-looking. Because such statements involve risks and uncertainties, the company's actual results and performance may differ materially from the results expressed or implied by such forward-looking statements. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Unless legally required, we assume no duty to update these statements as of any future date. However, you should review carefully reports and documents that the company files periodically with the Securities and Exchange Commission.

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Certain information may be provided in this earnings supplement that includes financial measurements that are not required by, or presented in accordance with, generally accepted accounting principles (GAAP). These non-GAAP measures should not be considered as alternatives to GAAP measures, such as net income, total debt or net cash provided by operating activities, and may be calculated differently from, and therefore may not be comparable to, similarly titled measures used at other companies. For a reconciliation to the most directly comparable GAAP financial measures, please refer to APA's first quarter 2025 earnings release at www.apacorp.com and "Non-GAAP Reconciliations" of this earnings supplement.

None of the information contained in this document has been audited by any independent auditor. This earnings supplement is prepared as a convenience for securities analysts and investors and may be useful as a reference tool. We may elect to modify the format or discontinue publication at any time, without notice to securities analysts or investors.

APA Corporation owns consolidated subsidiaries that explore for and produce oil and natural gas in the United States, Egypt, and the United Kingdom and that explore for oil and natural gas offshore Suriname and elsewhere. APA posts announcements, operational updates, investor information and press releases on its website, www.apacorp.com.

Permian and Egypt Durability with Visible Growth



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Building a Sustainable Base, Anchored by Permian and Egypt

- Permian Basin 75% of total Adjusted Production
- Transformed Permian into large-scale, focused unconventional position
- Egypt oil (2021) & gas (2024) terms renegotiated, improving economics and increasing duration
- Egypt gas at parity with mid-cycle Brent price economics; significant potential for long-term success

Differentiated Exploration Upside as Demonstrated by Suriname Success

- Announced FID on Block 58 Suriname; significant FCF growth upside starting in 2028
- Balanced exploration portfolio across basin maturity and risk profile, from step-out focus in the Permian & Egypt to play-opening opportunities in Uruguay & Alaska
- Pursuing scalable and impactful opportunities with attractive cost of supply

Defined Capital Allocation Strategy with Improving Balance Sheet

- Return at least 60% of free cash flow to investors through base dividend and share repurchases
- Continue to strengthen balance sheet and debt rating metrics
- Strong liquidity and advantageous long-dated debt maturity profile

Early Progress on Controllable Spend

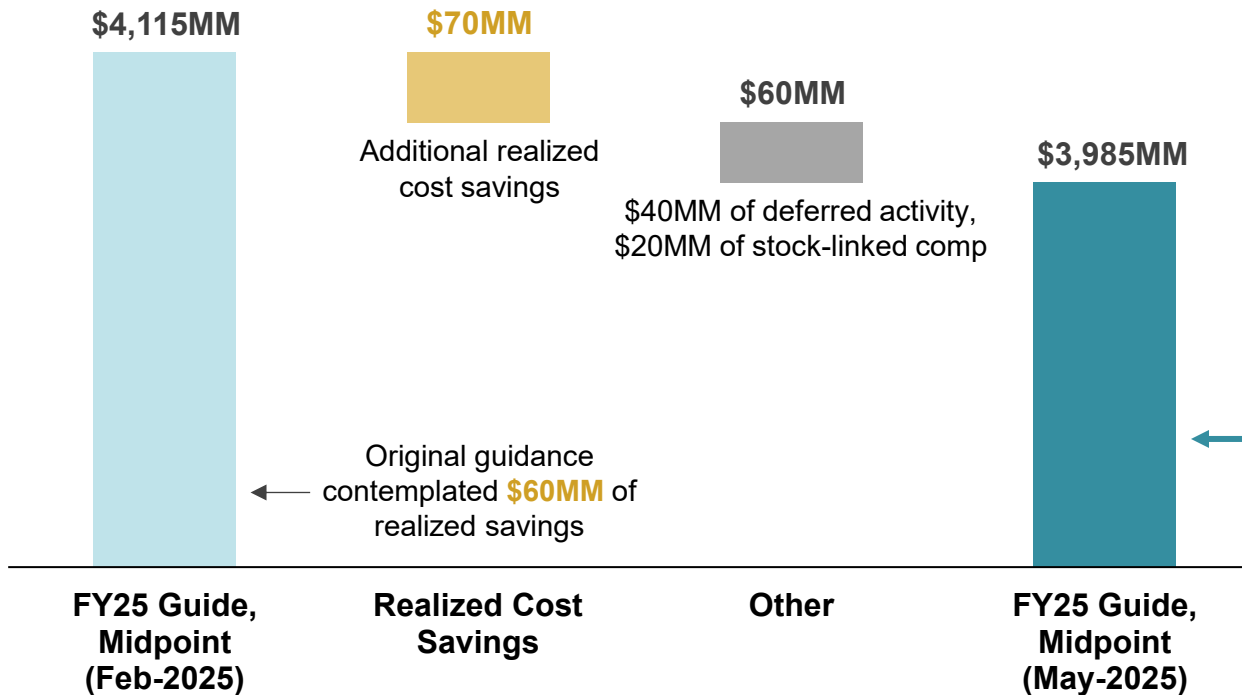
Increasing 2025 Expected **Realized Savings to \$130MM**, Doubling YE25 **Run-Rate Savings Target to \$225MM**

FY25 Expected Realized Savings Target

Original 2025 Realized Savings Target	\$60 Million
May-2025 Increase	\$70 Million
Updated 2025 Realized Savings Target	\$130 Million

FY25 Guidance (Midpoint)

(\$ in millions)	Original Guide (Feb-2025)	Updated Guide (May-2025)	Change
DC&F Capex ⁽¹⁾	\$2,150	\$2,000	(\$150)
LOE	\$1,550	\$1,600	\$50
G&A	\$415	\$385	(\$30)
Total	\$4,115	\$3,985	(\$130)



Note: Controllable Spend excludes items such as: GPT, interest expense, cash taxes, TRS, Incentive and Stock Compensation, and Suriname + Exploration Capital

(1) Excludes ARO spend. Please refer to the glossary of referenced terms for the updated definition of upstream capital investment.

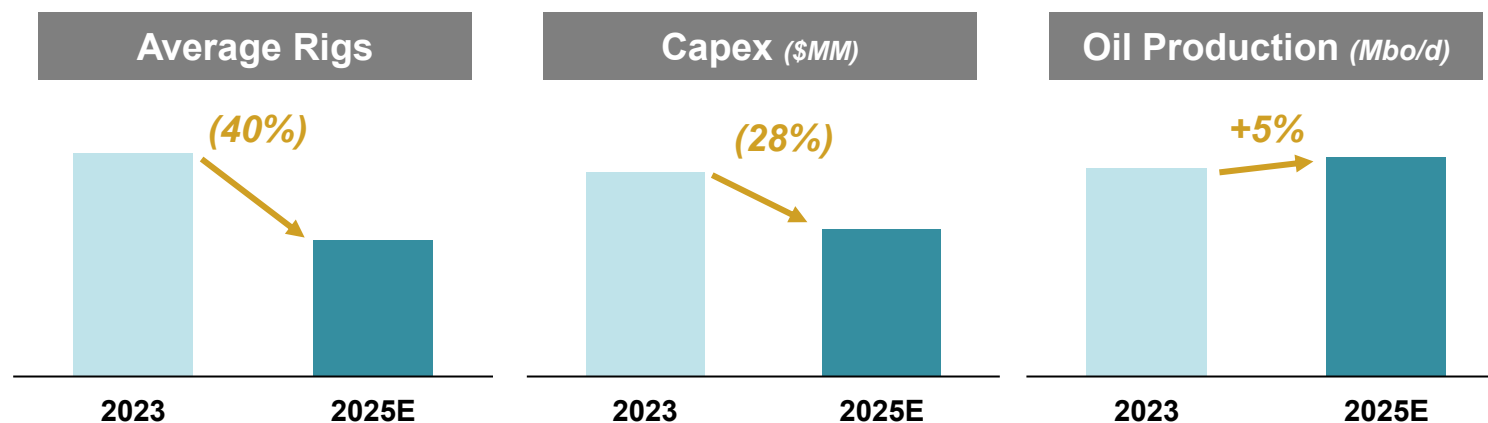
Driving Permian Capital Efficiency

Doing More with Less in the Permian⁽¹⁾

	2023 (APA + CPE)	2024 (APA + 1Q CPE)	2025 (Guidance)
Permian Rigs (Annual Average)	11	10	~6.75
Development Capital ⁽²⁾ (\$MM)	~\$2,100	~\$2,130	~\$1,515
U.S. Oil Production (Mbo/d)	120	128	125-127

- Reducing Permian rig count from 8 to 6 in 2Q25
- Lowering FY25 U.S. capital guidance by \$130MM
- U.S. oil production guidance unchanged
- Flexibility to reduce activity further if commodity prices continue to decline

Progress made since 2023 resultant of successful Callon integration and continued improvements thereafter



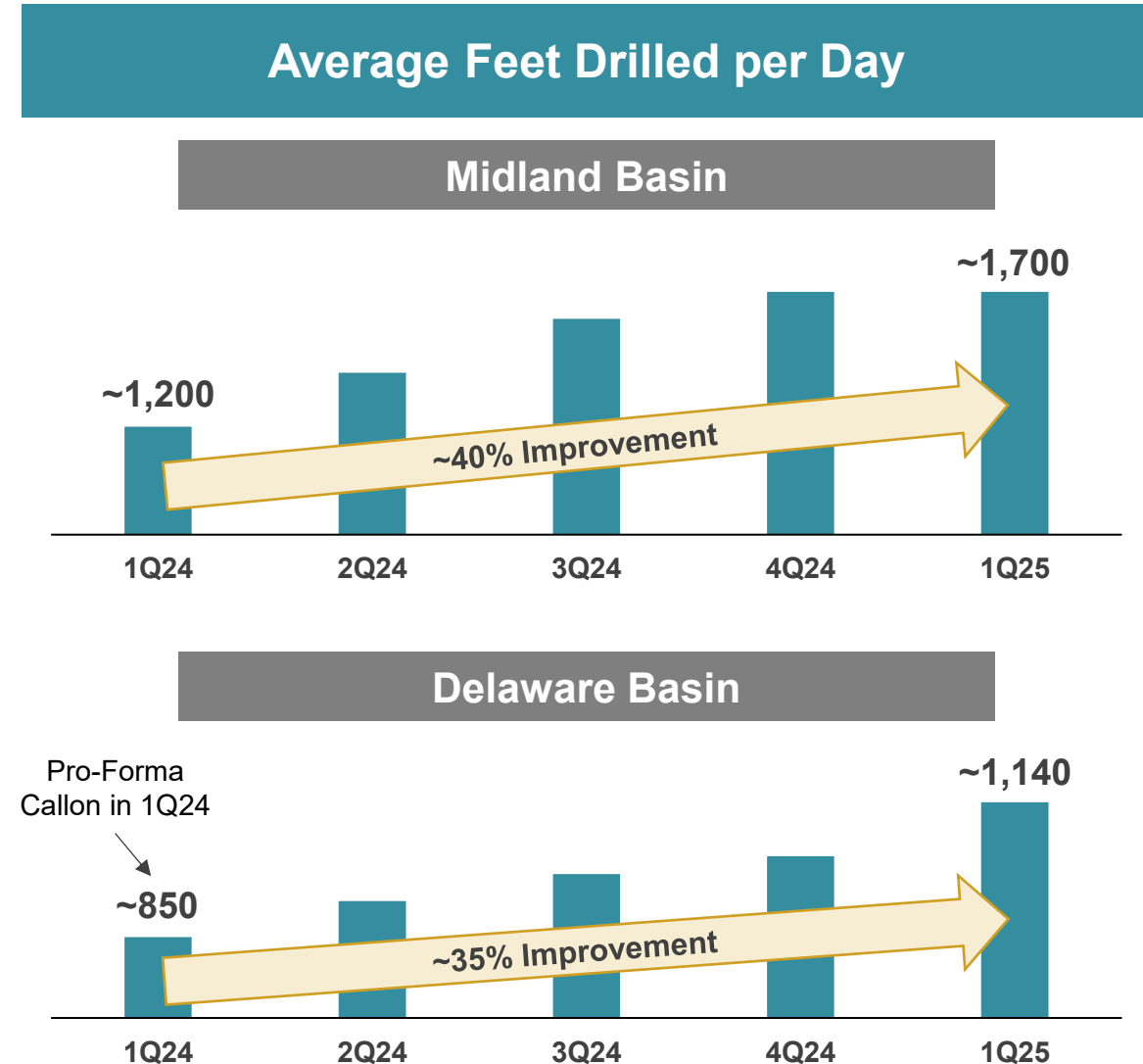
(1) Permian data excludes contribution from assets sold during the period but includes the recently announced New Mexico divestiture.

(2) Development capital excludes annual ARO spend of ~\$15MM, ~\$20MM and ~\$30MM in 2023, 2024 and 2025, respectively.

Realizing Significant Permian Drilling Efficiencies

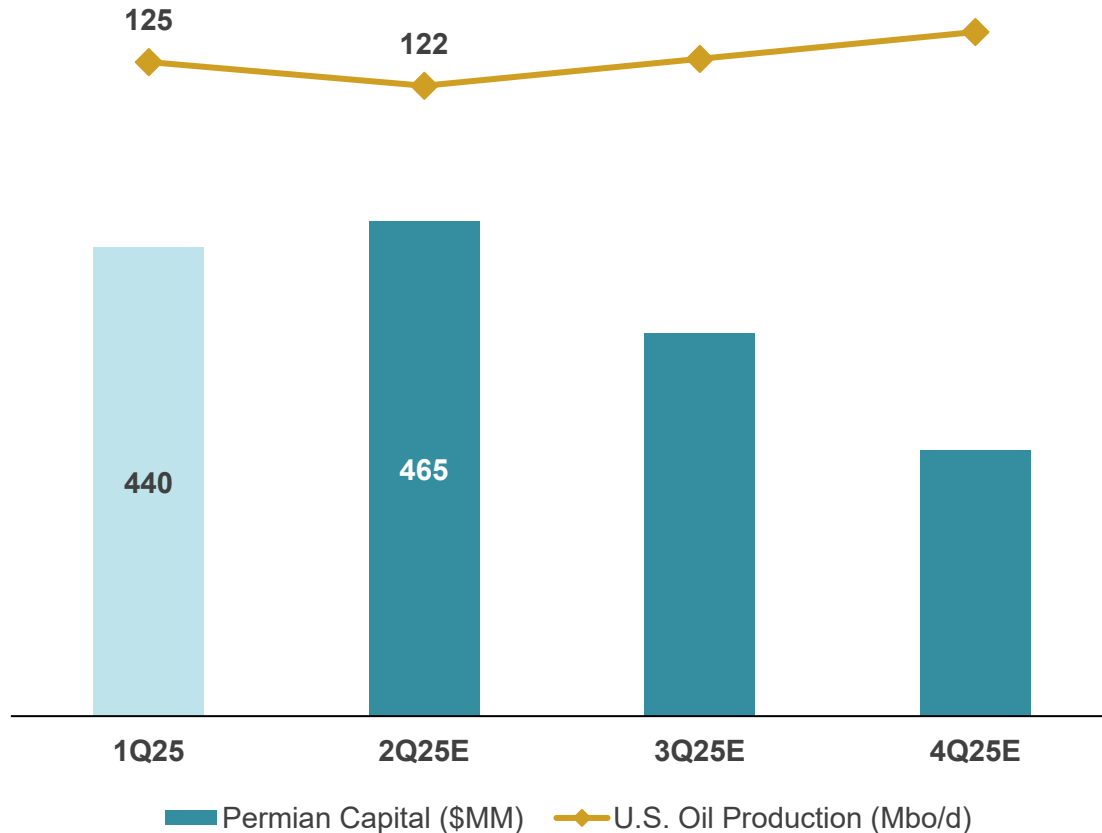
Rigs required to maintain flat U.S. production have decreased from 8 to 6.5 due to improved drilling performance

- Drilling efficiency gains driving the bulk of APA's reduction in annual development capital guidance
- Attributable to widespread, structural changes in drilling practices across the Permian
- Anticipate to capture further efficiency improvements across drilling, completions and facilities throughout 2025 and beyond



2025 Permian Activity Cadence

Permian Capital and U.S. Oil Production⁽¹⁾



Highlights

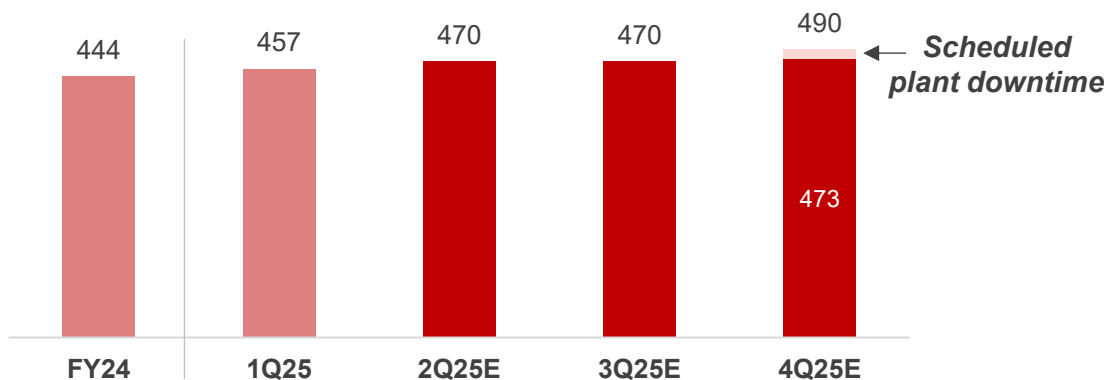
- Reducing rig count from 8 to 6 by the end of the second quarter
- Adjusting completion timing to better align with revised rig count
- 2H25 capital expected to be 33% lower than 1H25, production back-half weighted to deliver FY25 guidance of 125-127 Mbo/d

(1) Includes volumes and capital related to the recently announced, but not yet closed New Mexico Divestiture.

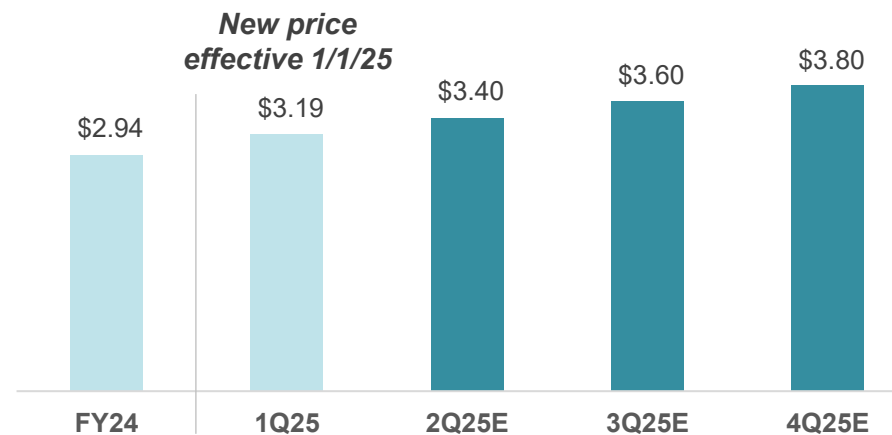
Strong Progress and Outlook for Egypt Gas

- Year-over-year growth in gas volumes for the first time in 12 years
- Material exploration and appraisal prospects with access to existing infrastructure
- New pricing agreement allocates higher fixed price on incremental volumes above pre-determined PDP decline
 - Realized price expected to increase over time with growing proportion of volumes receiving new, higher price
 - Applies to all Merged Concession volumes, including associated gas

Expected Gross Gas Production (MMcf/d)



Egypt Realized Gas Price (\$/Mcf)



APA's Differentiating Factors in a Lower Oil Price Environment

Egypt PSC & Gas Opportunity

- APA receives a higher portion of net production at lower oil prices as part of the production sharing contract, providing downside protection
- New gas pricing agreement provides a competitive, fixed gas price for incremental volumes

Cost Focus

- Rigorously managing Capital, LOE, Overhead cost structure to deliver sustainable savings
- Doubling YE25 run-rate savings target to \$225MM, increasing realized in-year savings target to \$130MM
- Permian efficiency gains enable APA to deliver planned TILs with 2 fewer rigs in 2H25

Oil & Gas Marketing Contracts

\$575 Million

In 2025E Third-Party Trading Income

- Advantaged during periods of domestic & global pricing volatility
- Hedged ~2/3rds of 2025 firm gas transport basis
- Contracts expected to generate ~\$1.1 billion of cumulative pre-tax cash flow since the start of 2024

First Quarter and Asset Overview

First Quarter in Review

Highlights

Corporate

- Development capital below guidance primarily due to drilling efficiencies in the Permian and Egypt
- Moved Apache debt to APA and refinanced credit facilities

Permian

- Significant cycle-time improvements allowing APA to reduce rig count from 8 to 6 by the end of 2Q25 while maintaining FY25 U.S. oil guidance
- Announced New Mexico asset sale for \$608MM in proceeds, prior to closing adjustments; Expected to close in late 2Q25

Egypt



- Delivered strong gross gas production with realized price of \$3.19/Mcf, ahead of guidance

Alaska





- Announced significant oil discovery followed by a successful flow test at Sockeye-2 indicating higher reservoir quality compared to regional offsets
- Technical evaluation underway to determine next steps

1Q 2025 Global Portfolio





Global

 468,978 BOE/D Reported Production	 50% / 17% / 33% Oil / NGL / Gas
 63 Gross, 60 Net Drilled & Completed Wells	 22 Average Rigs

United States

 298,319 BOE/D Reported Production	 42% / 26% / 32% Oil / NGL / Gas
 31 Gross, 25 Net Drilled & Completed Wells	 9 Average Rigs (incl. AK)

International

 170,659 BOE/D Reported Production	 65% / 1% / 34% Oil / NGL / Gas
 29 Gross, 29 Net Drilled & Completed Wells	 13 Average Rigs (Egypt)

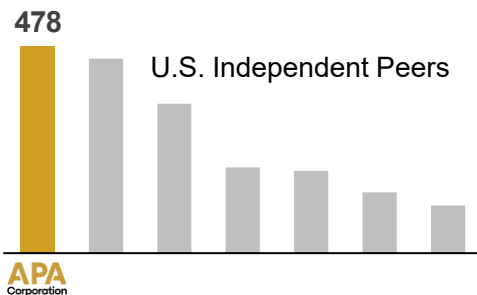
**Net Gain on Third-Party
Oil & Gas Trading Activities**

**\$123
Million**

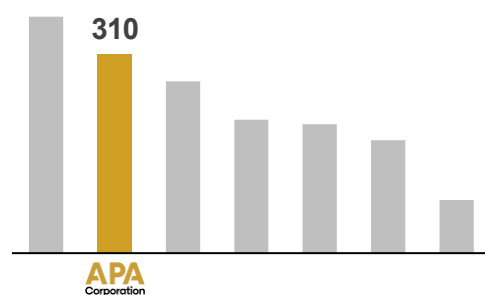
Operations Anchored by the Permian and Egypt

Competitive Permian Cornerstone

Permian Net Acres ('000)⁽¹⁾⁽²⁾

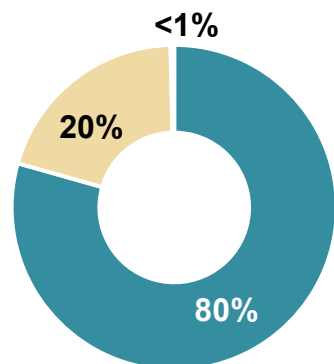


Permian Production (Mboe/d)⁽¹⁾⁽³⁾

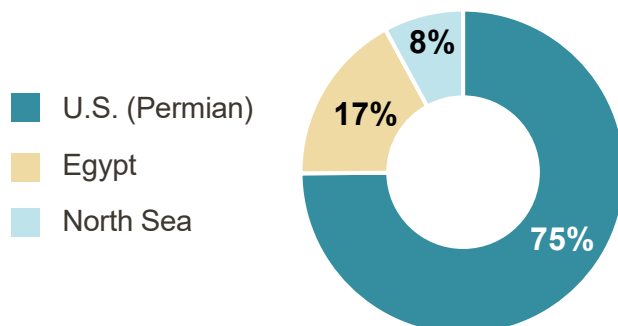


Permian Weighted Operations

1Q25 Development Capital



1Q25 Adjusted Production (Mboe/d)

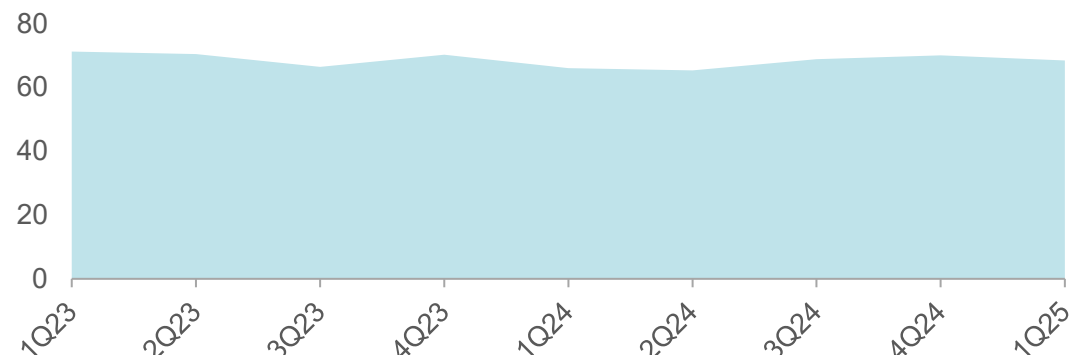


Egypt: Free Cash Flow Durability with Gas Upside

- Strong stable free cash flow generation
- Recent changes to the PSC improve economic durability
- Gas margins now competitive with oil at mid-cycle prices, recent activity showing promising results
- Initiated gas exploration program, success would underpin longer-term growth

Historical Egypt Production Profile

Egypt Adjusted Production (Mboe/d)



(1) U.S. independents include: CIVI, CTRA, MTD, OVV, PR, and SM.
 (2) Permian net acres as of 4Q24 disclosures.
 (3) Permian production as of 4Q24. APA production reflects 4Q24 U.S. production less 3 Mboe/d of GoA & other producing regions.

Exploration Portfolio Led by Suriname Block 58

Exploration Portfolio Highlights

Suriname

- 220,000 B/d oil project underway with partner TotalEnergies
- APA's carry agreement significantly reduces capital exposure
- First oil expected in 2028 with APA net production growth into the 2030s
- Near-field exploration targets have potential to extend production plateau
- Exploration phase extended

Alaska

- Announced significant discovery at Sockeye-2 exploration well
- Flow test confirms attractive rock properties compared to regional offsets

Egypt

- Initial gas development / appraisal drilling exceeding expectations
- Leveraging existing infrastructure, evaluating expansion needs pending exploration success

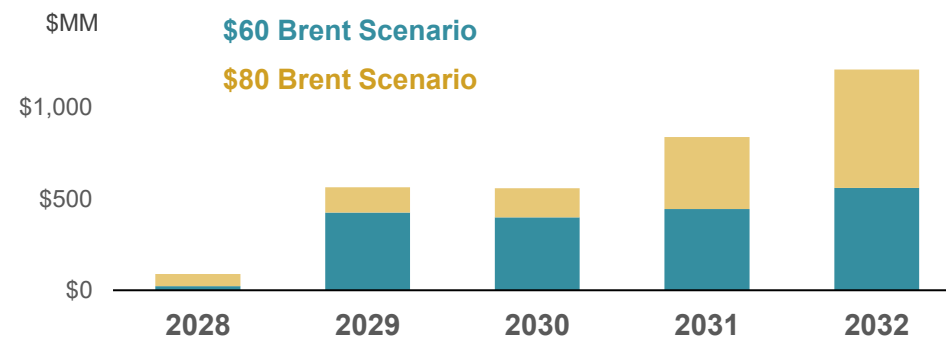
Permian

- Delineation of secondary / step-out zones

Uruguay

- Ownership in two large offshore blocks with low cost of entry

Suriname Expected Free Cash Flow Profile⁽¹⁾



Global Exploration Portfolio



(1) Net to APA. Assumes 20% participation by Staatsolie. Includes first oil payment and royalty payment per barrel contemplated in JV agreement. Please refer to the glossary of referenced terms for the definition of free cash flow.

Suriname GranMorgu: World Class Opportunity

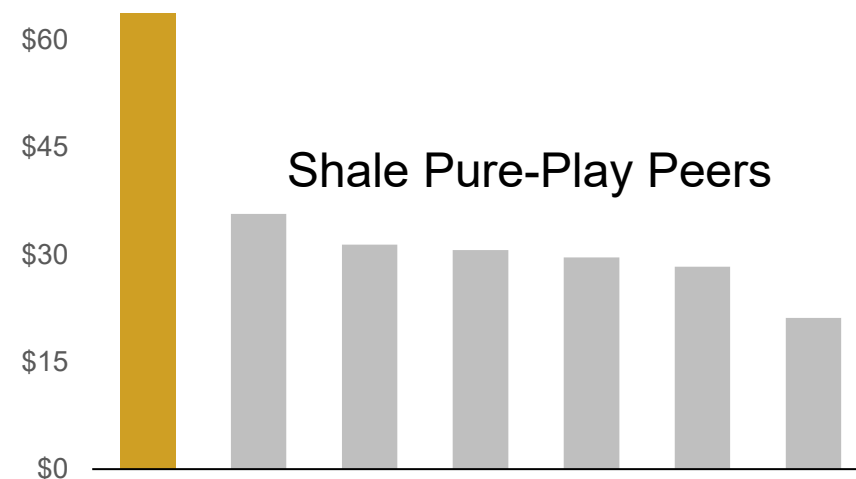
APA's Interest in GranMorgu Equates to
400 Midland Basin Locations at ~30% of the Cost

	GranMorgu (APA Net)	Midland Basin (Average Well) ⁽¹⁾
EUR (Oil)	180 MMBO +	180 MMBO
Total Capital Invested	~\$1.1 Billion	~\$3.6 Billion
Well Locations	32	~400
First-Year Decline Rate	Flat	~60%

Highly attractive project economics enhanced by carry structure

Top Tier Cash Field Margin⁽²⁾⁽³⁾⁽⁴⁾
(\$ / BOE)

GranMorgu



(1) Source data: Enverus, TX RRC. Average of all hz wells turned in-line in the Midland Basin between 2022 – Feb-2025. Assumes \$9MM gross well costs.

(2) Reflects per BOE: Realized price less LOE, GPT and production & ad valorem taxes.

(3) U.S. shale peer data reflects FY24 actuals. GranMorgu data reflects FY24 average Brent oil price and expected full-life average operating costs.

(4) Shale peers include CHRD, CIVI, DVN, FANG, OVV, PR.

Guidance Updates

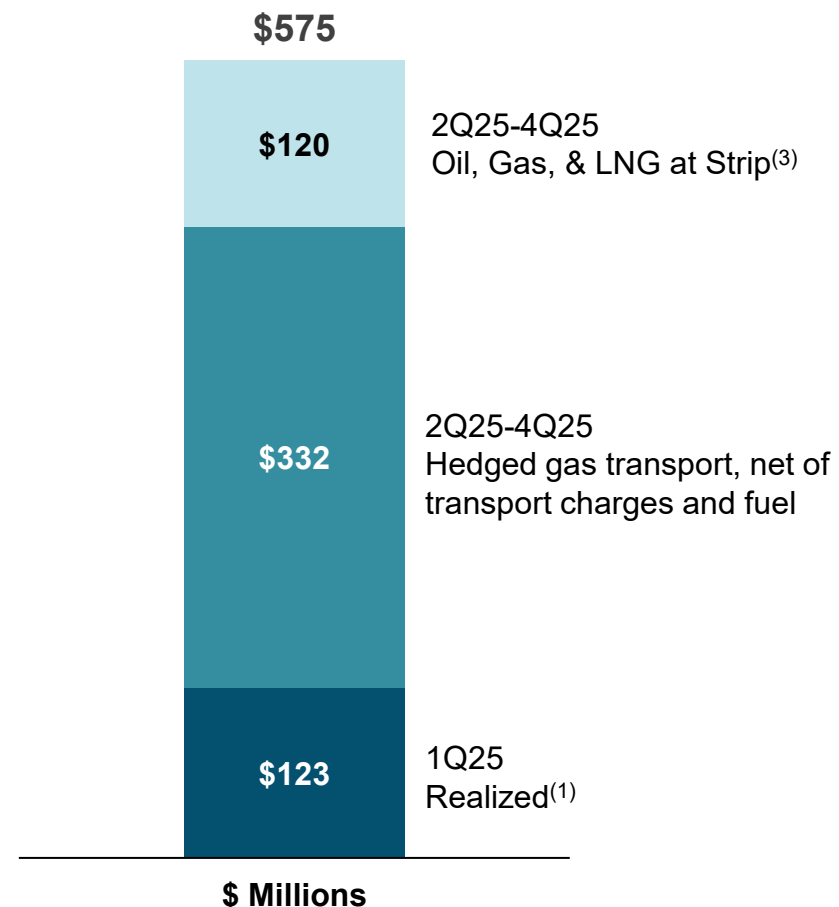
Third-Party Oil & Gas Trading Summary

2025 Pre-Tax Margin Guidance⁽¹⁾⁽³⁾

- 1Q25 realized gain of ~\$123 million
- During the first quarter, hedged ~67% of 2Q25-4Q25 firm transport volumes
- LNG volumes remain unhedged

Firm Transport

	MMbtu/d	Index Spread
Hedged	504,545	(\$2.93) ⁽²⁾
Unhedged	243,455	Waha / HSC
Total Volumes	748,000	



(1) Realized activity reflects third-party net gain on oil and gas purchases and sales.

(2) Weighted average pricing; Please refer to the appendix for details on outstanding commodity derivatives.

(3) Strip pricing as of as of 4/30/25.

Guidance

Average Daily Production ('000)	2Q 2025	FY 2025
Total Company Reported (Oil / BOE) ⁽¹⁾	231 / 457	233 / 463
Total Company Adjusted (Oil / BOE) ⁽¹⁾	191 / 391	193 / 396
U.S. (Oil / BOE)	122 / 289	125 - 127 / 296
Egypt Reported (BOE) ⁽¹⁾	140 (61% oil)	140 (61% oil)
Egypt Adjusted (BOE) ⁽¹⁾	75 (61% oil)	73 (61% oil)

← FY25 Includes North Sea production of 22 Mbo/d & 27 Mboe/d

← Equates to reported production less tax & NCI barrels

Capital Investment (\$ in millions)	2Q 2025	FY 2025
DC&F Capital (Permian, Egypt, North Sea)	\$595	\$1,950 - \$2,050
Suriname Development Capital	\$30	\$200
Exploration Capital	\$15	\$75
Upstream Capital Investment⁽²⁾	\$640	\$2,225 - \$2,325

← \$150MM reduction in FY25 DC&F capex
 \$100MM of ARO moved to corp. items per APA's updated definition

← \$25MM reduction in FY25 exploration capital

← **\$175MM reduction in FY25 capex guidance**

Corporate Items (\$ in millions)	2Q 2025	FY 2025
Lease Operating Expense	\$390	\$1,575 - \$1,625
Gathering, Processing & Transmission Expense	\$105	\$415
General & Administrative Expense	\$95	\$385
DD&A Expense	\$590	\$2,350
Oil and Gas Purchases and Sales, Net ⁽¹⁾⁽³⁾	\$150	\$575
Cash ARO & Decommissioning Spend	\$65	\$170
U.S. & U.K. Current Income Tax Expense ⁽¹⁾	\$30	\$240

← FY25 G&A guidance includes ~\$60 million of stock-linked comp

← Includes basis hedges

← **New Line Item:** \$100MM of ARO, \$70MM of Decom spend

← ~50% U.S. and ~50% U.K. in FY25

(1) Guidance based on FY25 commodity strip pricing as of 4/30/25.

(2) Refer to glossary of referenced terms for definition of Upstream Capital Investment.

(3) Reflects third-party gain on oil and gas purchases and sales.

Appendix

Strong Balance Sheet and Manageable Maturities

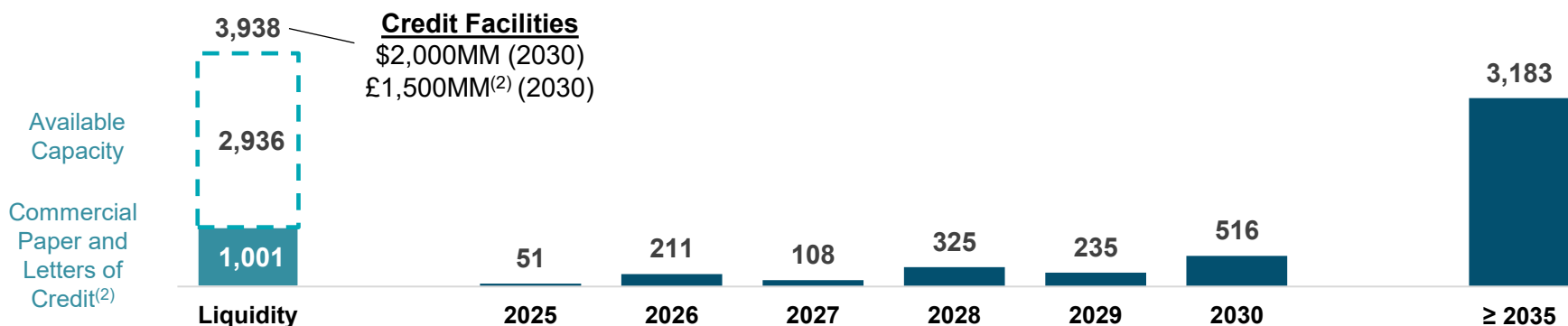
1Q25 Activity

- Moved ~\$3.6B Apache bonds to APA
- Reduced bonds by ~\$200MM
- Refinanced unsecured credit facilities, 2030 maturity
- Repaid Callon term loan

Obligor Exchange & Tender Offer Overview

(\$ in millions)	Apache	APA	Total
Bonds Outstanding (12/31/24)	\$4,835	-	\$4,835
Obligor Exchange	(2,741)	2,740	(1)
Tender Offer	(1,000)	-	(1,000)
New Issuance	-	850	850
Open Market Repurchases	(55)	-	(55)
Bonds Outstanding (3/31/25)	\$1,039	\$3,590	\$4,629

Liquidity & Debt Maturity Profile (\$MM)⁽¹⁾



Bond Overview

Bonds Outstanding ⁽¹⁾	\$4,629MM
Avg. Coupon	~5.631%
Avg. Maturity	~14.3 Yrs

(1) As of 3/31/2025; Debt excludes any unamortized discount, debt issuance costs, and finance leases

(2) £1.5B credit facility and GBP letters of credit (~£183MM) converted to USD at 1.29 USD/GBP

Reconciliation to Non-GAAP Definition Update

Changing Definitions for Upstream Capital Investment and Free Cash Flow; No Impact to Bottom Line

Old Definitions

1Q25 Non-GAAP Free Cash Flow (\$MM)

	1Q25
Operating Cash Flow before changes in operating assets and liabilities	\$ 1,051
1 Less: Upstream Capital Investment	\$ (742)
Less: Capital Investment of NCI	\$ (56)
Less: Decommissioning spend	\$ (1)
Less: Leasehold acquisition and other	\$ -
Less: Distributions to Sinopec NCI	\$ (126)
2 Free Cash Flow	\$ 126

New Definitions

1Q25 Non-GAAP Free Cash Flow (\$MM)

	1Q25
Operating Cash Flow before changes in operating assets and liabilities	\$ 1,051
3 Less: Upstream Capital Investment	\$ (710)
Less: Capital Investment of NCI	\$ (56)
4 Less: Abandonment and Decommissioning spend	\$ (28)
5 Less: Leasehold acquisition and other	\$ (5)
Less: Distributions to Sinopec NCI	\$ (126)
2 Free Cash Flow	\$ 126

Reference

- 1 Upstream Capital Investment previously included Abandonment Spend and Leasehold Acquisition costs
- 2 **Free Cash Flow unchanged with new definition**
- 3 Upstream Capital Investment now excludes Abandonment Spend and Leasehold Acquisition
- 4 Free Cash Flow is now directly reduced by Abandonment Spend and consistently presented with Decommissioning Spend
- 5 Free Cash Flow is now directly reduced by Leasehold Acquisitions and consistently presented with other Non-Oil and Gas Capital spend

Upstream Capital Investment

(\$ in millions)	1Q 2025
United States*	\$480
Egypt (excluding noncontrolling interest)	\$112
North Sea	\$2
Suriname	\$116
Upstream Capital Investment Total**	\$710

*United States capital includes ~\$41 million of Alaska exploration investment in 1Q25.

**Excludes ~\$27MM of cash ARO spend, per APA's updated Upstream Capital definition. APA's original 1Q25 Upstream Capital guidance of \$765MM included cash ARO spend.

Egypt Production Detail

	4Q 2024			1Q 2025		
	Oil (Bbls/d)	Gas (Mcf/d)	Boe/d	Oil (Bbls/d)	Gas (Mcf/d)	Boe/d
Gross Production	134,504	438,052	207,513	128,025	456,955	204,184
Reported Production	89,927	300,118	139,947	86,173	317,209	139,041
% Gross	67%	69%	67%	67%	69%	68%
Less: Tax Barrels	22,402	75,395	34,968	22,391	83,876	36,370
Net Production Excluding Tax Barrels	67,525	224,723	104,979	63,782	233,333	102,671
% Gross	50%	51%	51%	50%	51%	50%
Less: Noncontrolling Interest	22,508	74,907	34,993	21,261	77,778	34,224
Adjusted Production	45,017	149,816	69,986	42,521	155,555	68,447
% Gross	33%	34%	34%	33%	34%	34%

MBOE/D	2023				2024				2025
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Gross Production	232	227	223	220	214	211	211	208	204
Reported Production	147	144	139	144	135	133	142	140	139
Adjusted Production	71	70	66	70	66	65	69	70	68
Brent Oil Benchmark Pricing	\$82	\$78	\$86	\$83	\$82	\$85	\$79	\$74	\$75

Commodity Derivative Instruments

Production Period	Settlement Index	<u>Basis Swap Purchased</u>		<u>Basis Swap Sold</u>	
		MMBtu (in 000's)	Weighted Average Price Differential	MMBtu (in 000's)	Weighted Average Price Differential
April – December 2025	NYMEX Henry Hub / IF Waha	126,500	\$(3.16)	-	-
April – December 2025	NYMEX Henry Hub / IF HSC	-	-	49,500	\$(0.51)
May – December 2025 ¹	NYMEX Henry Hub / IF Waha	12,250	\$(3.10)	-	-
May – December 2025 ¹	NYMEX Henry Hub / IF HSC	-	-	12,250	\$(0.48)

(1) Includes hedges subsequently entered into after 3/31/2025.

Glossary of Referenced Terms

- **Upstream Capital Investment:** Includes exploration, development, gathering, processing, and transmission capital, and capitalized overhead. Excludes capital investment for property and leasehold acquisitions, non-cash asset retirement additions and revisions, capitalized interest, certain exploration expenses, and Egypt noncontrolling interest.
- **Free Cash Flow:** Cash flow from operations before changes in operating assets and liabilities (including Egypt noncontrolling interest)
 - **Minus:**
 - Upstream Capital Investment (including Egypt minority interest)
 - Abandonment and decommissioning spend
 - Leasehold acquisitions and non-oil and gas capital investment
 - Distributions to noncontrolling interest (Egypt)
- In addition to the terms above, a list of commonly used definitions and abbreviations can be found in APA Corporation's Form 10-K.

Non-GAAP Reconciliations

Non – GAAP Reconciliation

Adjusted EBITDAX

Reconciliation of Net Cash Provided by Operating Activities to Adjusted EBITDAX

Management believes EBITDAX, or earnings before income tax expense, interest expense, depreciation, amortization and exploration expense is a widely accepted financial indicator, and useful for investors, to assess a company's ability to incur and service debt, fund capital expenditures, and make distributions to shareholders. We define adjusted EBITDAX, a non-GAAP financial measure, as EBITDAX adjusted for certain items presented in the accompanying reconciliation. Management uses adjusted EBITDAX to evaluate our ability to fund our capital expenditures, debt services and other operational requirements and to compare our results from period to period by eliminating the impact of certain items that management does not consider to be representative of the Company's on-going operations. Management also believes adjusted EBITDAX facilitates investors and analysts in evaluating and comparing EBITDAX from period to period by eliminating differences caused by the existence and timing of certain operating expenses that would not otherwise be apparent on a GAAP basis. However, our presentation of adjusted EBITDAX may not be comparable to similar measures of other companies in our industry.

	(\$ in millions)		
	For the Quarter Ended		
	March 31,	December 31,	March 31,
	2025	2024	2024
Net cash provided by operating activities	\$ 1,096	\$ 1,036	\$ 368
Adjustments:			
Exploration expense other than dry hole expense and unproved leasehold impairments	19	12	15
Current income tax provision	306	308	300
Other adjustments to reconcile net income to net cash provided by operating activities	(13)	(16)	(10)
Changes in operating assets and liabilities	(45)	107	459
Financing costs, net (excludes gain on extinguishment of debt)	85	91	76
Transaction, reorganization & separation costs	37	12	27
Adjusted EBITDAX (Non-GAAP)	<u>\$ 1,485</u>	<u>\$ 1,550</u>	<u>\$ 1,235</u>

Non – GAAP Reconciliation

Cash Flow Before Changes in Operating Assets & Liabilities and Free Cash Flow

Reconciliation of Net Cash Provided by Operating Activities to Cash Flows from Operations before Changes in Operating Assets and Liabilities and Free Cash Flow

Cash flows from operations before changes in operating assets and liabilities and free cash flow are non-GAAP financial measures. APA uses these measures internally and provides this information because management believes it is useful in evaluating the company's ability to generate cash to internally fund exploration and development activities, fund dividend programs, and service debt, as well as to compare our results from period to period. We believe these measures are also used by research analysts and investors to value and compare oil and gas exploration and production companies and are frequently included in published research reports when providing investment recommendations. Cash flows from operations before changes in operating assets and liabilities and free cash flow are additional measures of liquidity but are not measures of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing, or financing activities. Additionally, this presentation of free cash flow may not be comparable to similar measures presented by other companies in our industry.

	(\$ in millions)	
	For the Quarter Ended	
	March 31,	
	2025	2024
Net cash provided by operating activities	\$ 1,096	\$ 368
Changes in operating assets and liabilities	(45)	459
Cash flows from operations before changes in operating assets and liabilities	\$ 1,051	\$ 827
Adjustments to free cash flow:		
Upstream capital investment including noncontrolling interest - Egypt	(766)	(627)
Abandonment and decommissioning spend	(28)	(39)
Leasehold acquisitions and other	(5)	8
Distributions to Sinopec noncontrolling interest	(126)	(70)
Free cash flow	\$ 126	\$ 99

Non – GAAP Reconciliation

Segment Cash Flows

Reconciliation of Net Cash Provided by Operating Activities to Cash Flows from Continuing Operations before Changes in Operating Assets and Liabilities

Cash flows from operations before changes in operating assets and liabilities is a non-GAAP financial measure. Apache uses it internally and provides the information because management believes it is useful for investors and widely accepted by those following the oil and gas industry as a financial indicator of a company's ability to generate cash to internally fund exploration and development activities, fund dividend programs, and service debt. It is also used by research analysts to value and compare oil and gas exploration and production companies and is frequently included in published research when providing investment recommendations. Cash flows from operations before changes in operating assets and liabilities, therefore, is an additional measure of liquidity but is not a measure of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing, or financing activities.

	(\$ in millions)			
	For the Quarter			
	Ended March 31, 2025			
	<u>North Sea</u>	<u>Egypt</u>	<u>U.S. and Other</u>	<u>Consolidated</u>
Net cash provided by operating activities	\$ (38)	\$ 525	\$ 609	\$ 1,096
Changes in operating assets and liabilities	79	(149)	25	(45)
Cash flows from operations before changes in operating assets and liabilities	<u>\$ 41</u>	<u>\$ 376</u>	<u>\$ 634</u>	<u>\$ 1,051</u>

Non – GAAP Reconciliation

Net Debt

Reconciliation of Debt to Net Debt

Net debt, or outstanding debt obligations less cash and cash equivalents, is a non-GAAP financial measure. Management uses net debt as a measure of the Company's outstanding debt obligations that would not be readily satisfied by its cash and cash equivalents on hand.

	(\$ in millions)			
	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>	<u>June 30, 2024</u>
Current debt	\$ 131	\$ 53	\$ 2	\$ 2
Long-term debt	<u>5,237</u>	<u>5,991</u>	<u>6,370</u>	<u>6,741</u>
Total debt	5,368	6,044	6,372	6,743
Cash and cash equivalents	67	625	64	160
Net debt	<u>\$ 5,301</u>	<u>\$ 5,419</u>	<u>\$ 6,308</u>	<u>\$ 6,583</u>

Non – GAAP Reconciliation

Upstream Capital Investment

Reconciliation of Costs Incurred to Upstream Capital Investment

Management believes the presentation of upstream capital investments is useful for investors to assess APA's expenditures related to our upstream capital activity. We define capital investments as costs incurred for oil and gas activities, adjusted to exclude property and leasehold acquisitions, asset retirement additions and revisions, capitalized interest, and certain exploration expenses. Upstream capital expenditures attributable to a one-third noncontrolling interest in Egypt are also excluded. Management believes this provides a more accurate reflection of APA's cash expenditures related to upstream capital activity and is consistent with how we plan our capital budget.

	(\$ in millions)	
	For the Quarter Ended	
	March 31,	
	2025	2024
Costs incurred in oil and gas property:		
Asset and leasehold acquisitions	\$ 9	\$ 63
Exploration and development	794	654
Total Costs incurred in oil and gas property	\$ 803	\$ 717
Reconciliation of Costs incurred to Upstream capital investment:		
Total Costs incurred in oil and gas property	\$ 803	\$ 717
Asset and leasehold acquisitions	(9)	(63)
Asset retirement obligations incurred - oil and gas property	(5)	(5)
Capitalized interest	(4)	(7)
Exploration seismic and administration costs	(19)	(15)
Upstream capital investment including noncontrolling interest - Egypt	\$ 766	\$ 627
Less noncontrolling interest - Egypt	(56)	(69)
Total Upstream capital investment	\$ 710	\$ 558



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