



APA CORPORATION

Second-Quarter 2025

Financial and Operational Supplement

AUGUST 6, 2025



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, cost reductions, rig counts, asset divestitures, estimated reserves, drilling locations, capital expenditures, price estimates, tax savings, 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 second 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

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
- Initiated long-term net debt target of \$3.0 billion
- Strong liquidity and advantageous long-dated debt maturity profile



APA
Corporation

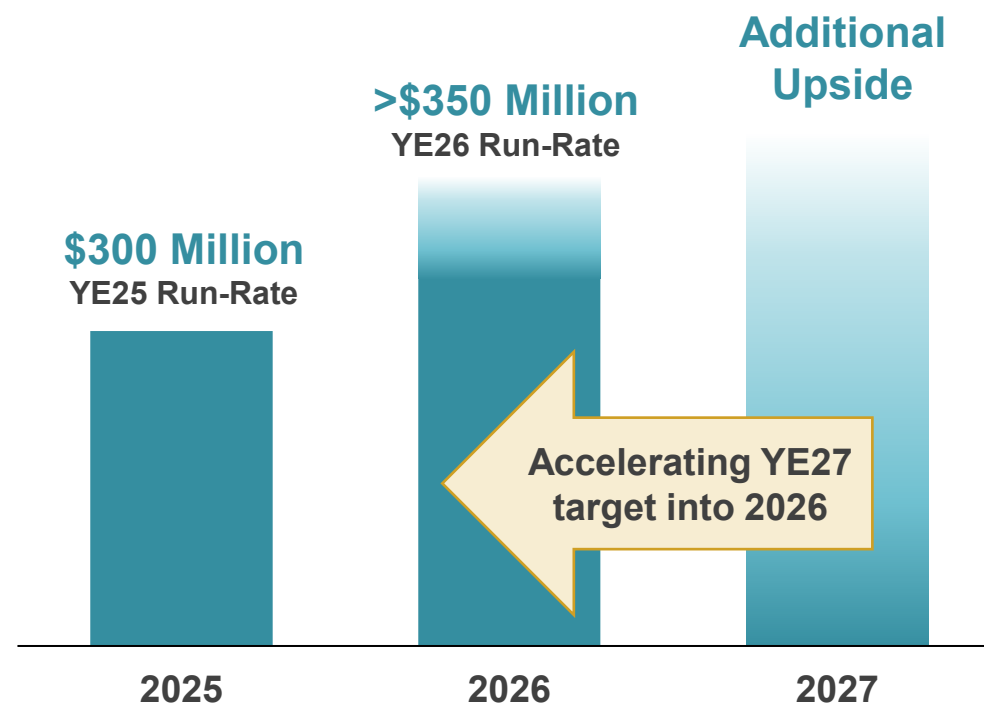
Accelerating Capture of Controllable Spend Initiatives

YTD 2025 Controllable Spend Progress

(\$ in millions)	Feb-2025 Initiation	May-2025 Update	Aug-2025 Update
FY25 Realized Savings	\$60	\$130	\$200
YE25 Run-Rate Savings	\$100 - \$125	\$225	\$300

Breakdown of FY25 Realized Savings⁽¹⁾

(\$ in millions)	Feb-2025	May-2025	Aug-2025
DC&F Capex	\$20	\$130	\$165
LOE	\$20	(\$30)	(\$30)
G&A	\$20	\$30	\$65
Total	\$60	\$130	\$200



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

(1) Items may not reconcile with changes to guidance due to timing of capital spend and stock-linked compensation.

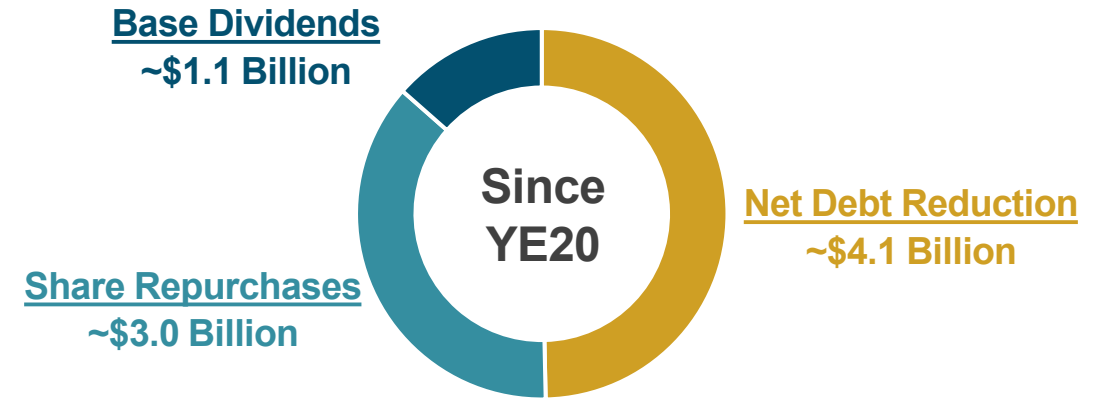
Initiating Long-Term Net Debt Target of \$3.0 Billion

Rationale for Further Deleveraging

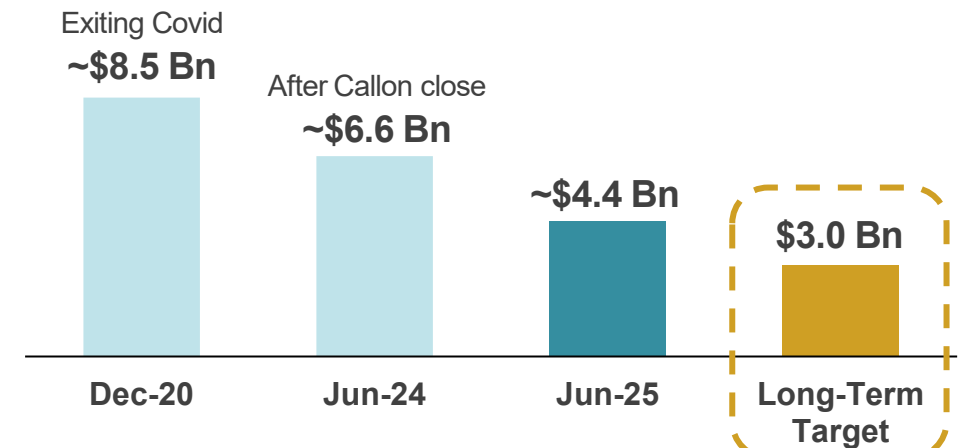
- Positions APA for through-cycle resiliency
- Enhances shareholder return flexibility across cycles
- Firm commitment to balance sheet conservatism and investment grade metrics
- Provides a clear objective while managing ARO and exploration spend
- Reduces volatility and stabilizes discount rate
- Offers optionality to capitalize on strategic opportunities

Remain committed to return 60% of free cash flow to shareholders through base dividends and share repurchases

Balanced Capital Returns Approach



Net Debt Reduction Progress



Second Quarter and Asset Overview

Recent Highlights

Highlights

Corporate

- Accelerated controllable spend reduction targets on continued improvement to capital and overhead cost structures
- Reduced net debt by >\$850 million, driven by the New Mexico asset sale and additional progress of Egypt payments
- Returned \$140 million to shareholders through dividends & buybacks

Permian

- Consistent execution delivered strong oil production vs. guidance
- Delivering continued momentum on well cost reduction
- Reduced rig count from 8 to 6 on sustained drilling efficiencies
- Maintaining full-year production outlook, adjusted for asset divestiture

Egypt



- In July, secured presidential approval for the direct award of ~2 million acres, increasing Egypt footprint by >35%
- Strong well productivity and infrastructure optimization delivered gas volumes ahead of guidance
- Further raising FY25 outlook for gas production and pricing realizations

North Sea





- Continued optimization of operations and field run-time led to production and LOE beat vs. guidance

2Q 2025 Global Portfolio





Global

 465,078 BOE/D Reported Production	 51% / 17% / 32% Oil / NGL / Gas
 64 Gross, 61 Net Drilled & Completed Wells	 20 Average Rigs

United States

 289,902 BOE/D Reported Production	 43% / 27% / 30% Oil / NGL / Gas
 36 Gross, 33 Net Drilled & Completed Wells	 7 Average Rigs (Permian)

International

 175,176 BOE/D Reported Production	 64% / 1% / 35% Oil / NGL / Gas
 28 Gross, 28 Net Drilled & Completed Wells	 13 Average Rigs (Egypt)

**Net Gain on Third-Party
Oil & Gas Trading Activities⁽¹⁾**

**\$158
Million**

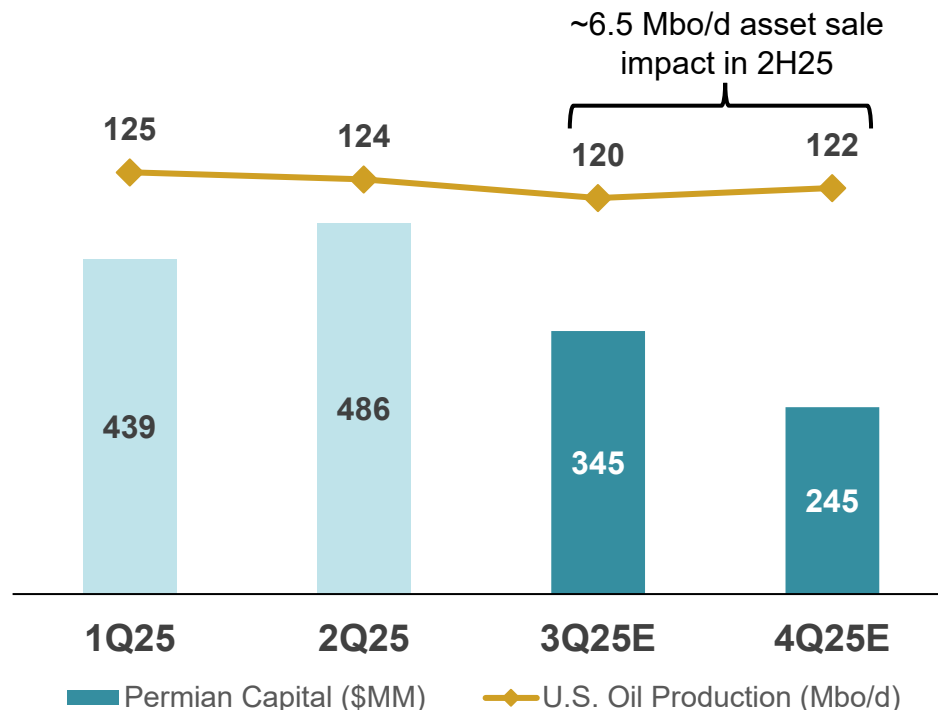
(1) Includes third-party net gain on oil and gas purchases and sales and realized gain / loss on commodity derivatives.

2025 Permian Activity Cadence

Permian Activity and U.S. Oil Production

Permian TIL Count (Gross / Net)

1Q25	2Q25	3Q25E	4Q25E
31 / 25	36 / 33	40 / 40	31 / 29



- Step-change in drilling efficiencies yielding measurable gains in operational execution
 - Initiated rig count reduction from 8 to 6 in 2Q25 with no impact to FY25 TIL count
 - Now expect to hold Permian volumes flat with 6 rigs, down from 6.5 as mentioned in May
 - YE25 DUC count expected to be higher than assumed in February despite rig count reduction
 - Delivering original production guidance, adjusted for asset divestitures, at \$130 million less capital than anticipated in February
- Permian capital front-half-weighted due to the realization of cost savings & efficiency gains in 2H25 and the timing of facilities & completion spend
- 2H25 guidance reflects ~6.5 Mbo/d impact from New Mexico asset sale, closed in June

Significant Permian Capital Efficiency Improvement

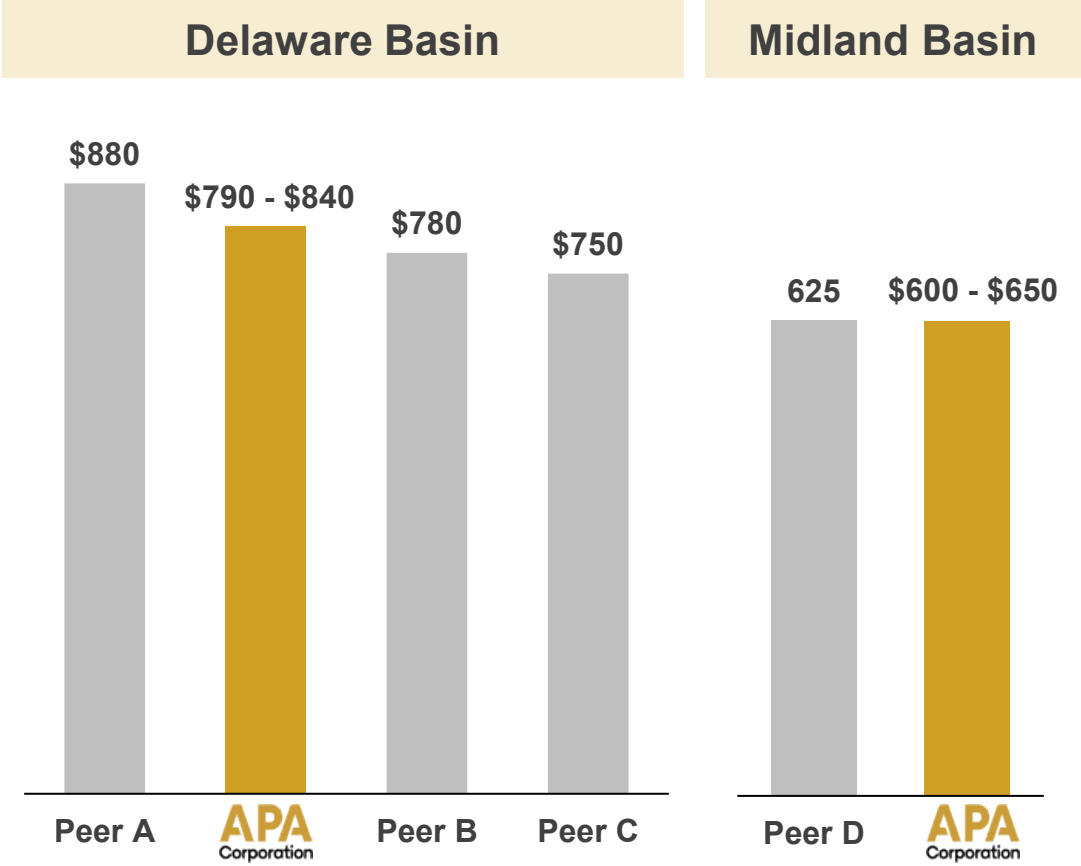
APA has reduced per-foot D&C costs by >20% since 1H24 in both Midland & Delaware Basins

D&C Cost Reductions Driven By:

- 1) Successful integration and synergy capture of Callon acquisition
- 2) Capital efficiency improvements under cost reduction program
- 3) Shift in development strategy, moving from wide spacing and large fracs, closer to industry average

Competitive Development Costs

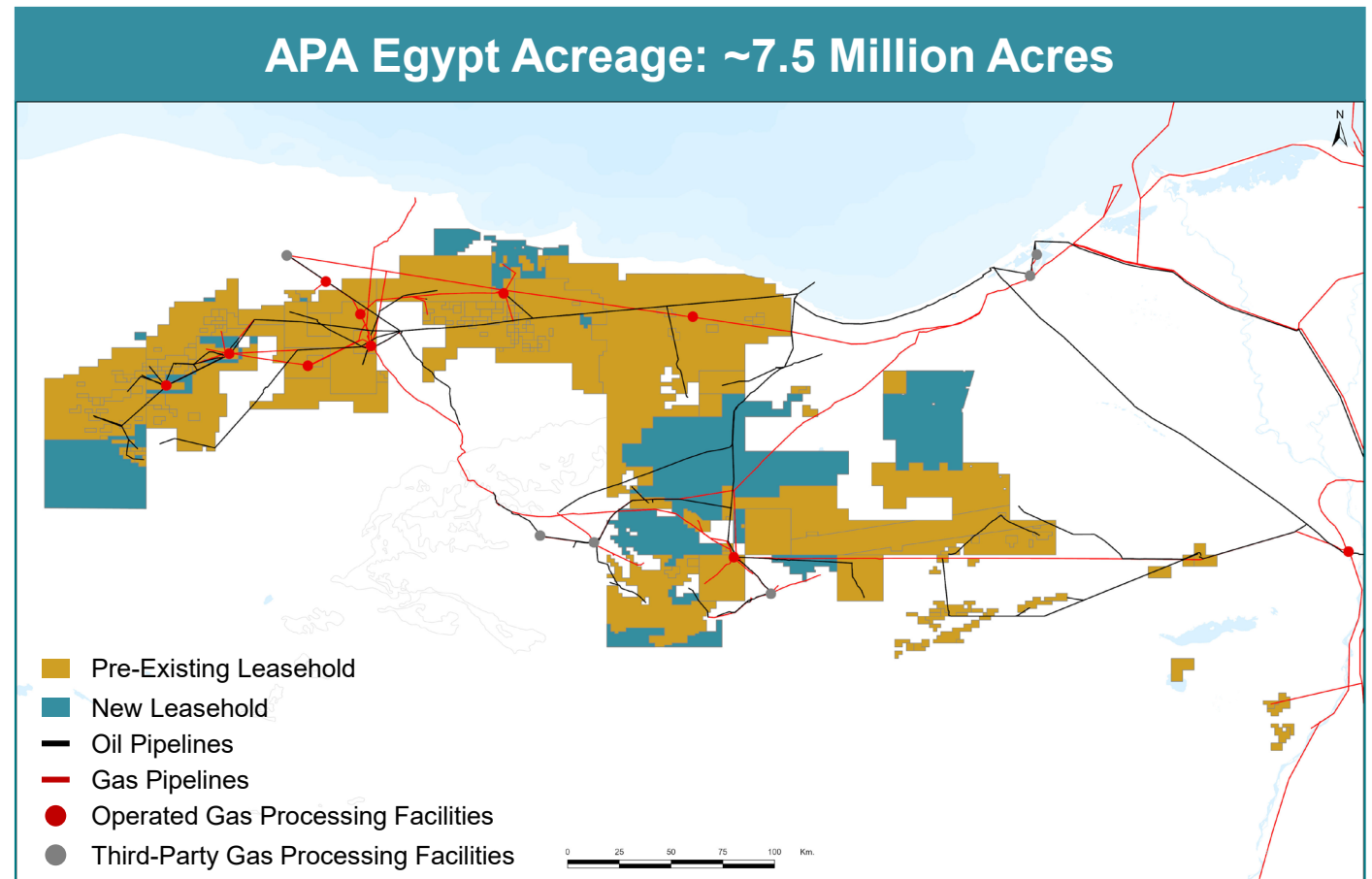
Drilling & Completion Cost Per Lateral Foot⁽¹⁾



(1) APA Delaware and APA Midland represent 2025E D&C costs per foot. Peers A, B, C and D, companies that publish Delaware and Midland D&C costs.

Increasing Egypt Leasehold Acreage by More Than 35%

- In July, secured Presidential approval for the direct award of ~2 million acres, increasing APA's Egypt footprint by >35%
- Highly contiguous with core APA operating areas, near infrastructure and existing production
- Eligible for merged concession cost recovery under the revised (2021) production sharing contract
- New concessions supported by 3D seismic data
- Plan to drill several wells on new acreage in 4Q25, targeting various play types and commodity mix

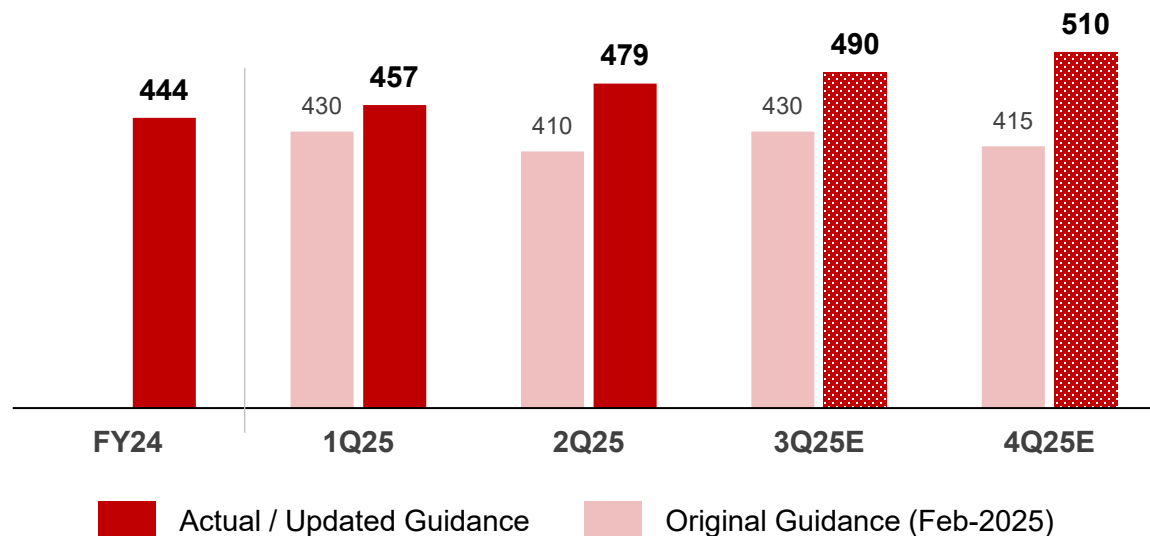


Egypt Gas Materially Outperforming Original Guidance

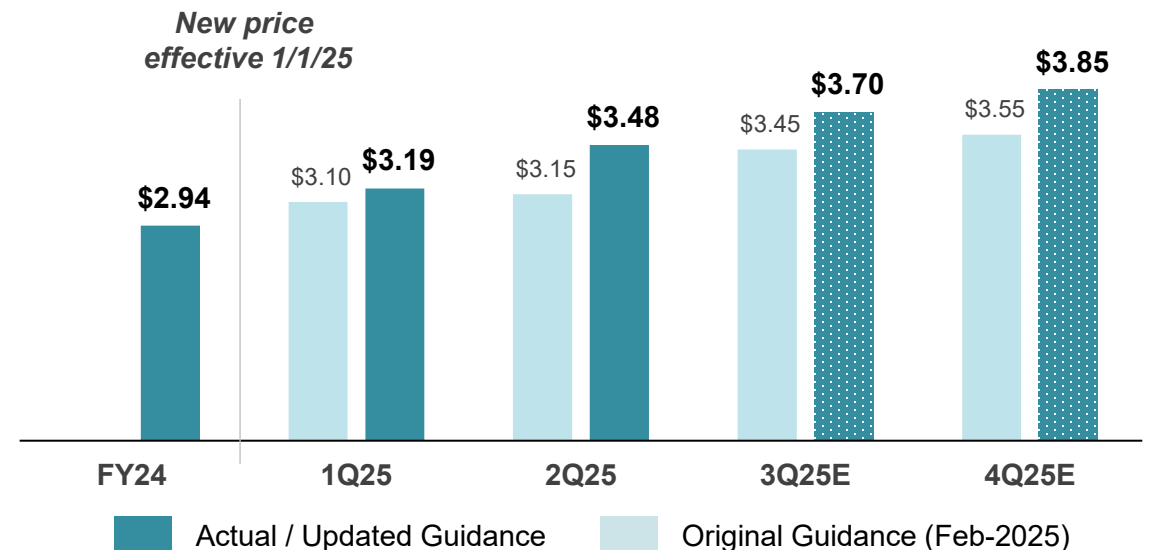
Beat and Raised Guidance for the Second Consecutive Quarter on Strong Productivity and Infrastructure Utilization

- 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 to incremental volumes above pre-determined PDP decline
 - Average 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)



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

- Conducted flow test on Sockeye-2 discovery in 1H25, confirming attractive rock properties compared to regional offsets
- Sockeye prospect is amplitude supported across 25,000 to 30,000 acres

Egypt

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

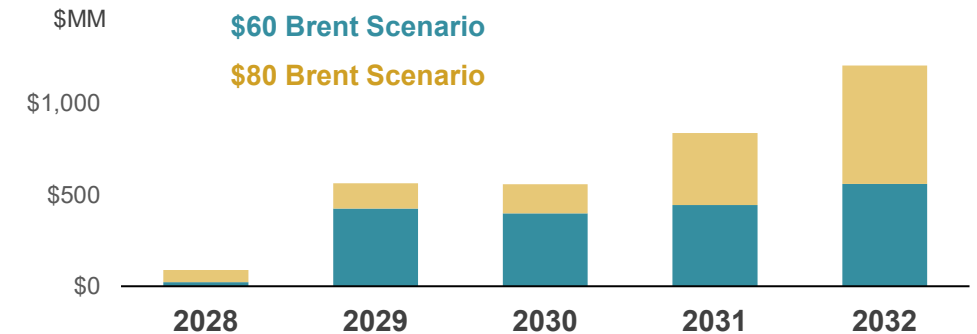
Permian

- 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: Project Update

Project Delivery on Track for Mid-2028 First Oil

Project Stats

>750 MMBO

Estimated Recoverable
Resource

220 MBO/D

Oil Production
Capacity

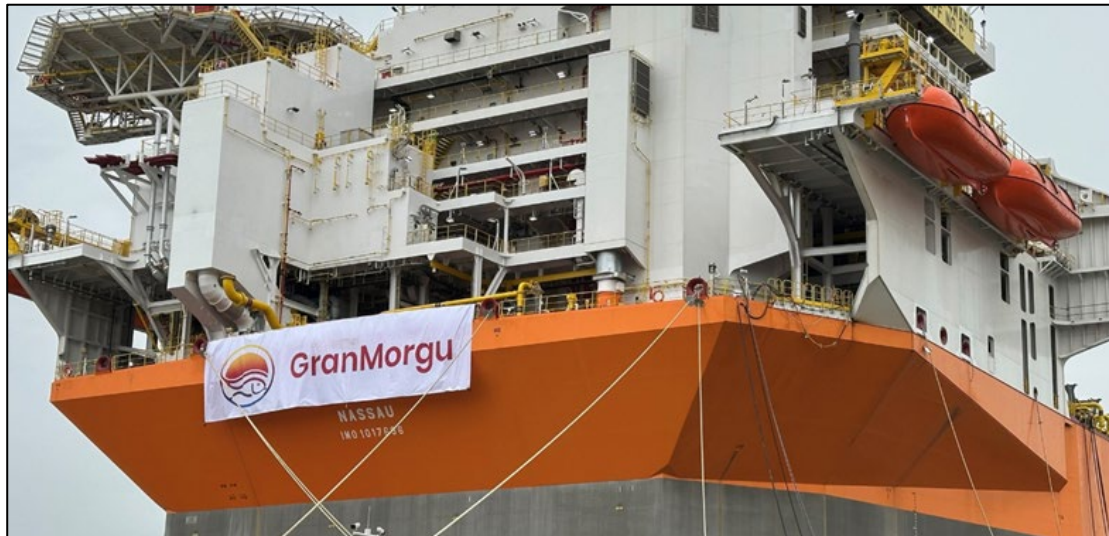
Mid-2028

Expected
First Oil

40% WI

Carry Agreement Reduces
Capital Exposure

- FY25 Suriname capital guidance raised to \$275MM, reflecting additional milestone payments expected in 2H25
- Total project costs remain in-line with estimates provided at FID
- Progressing FPSO topsides construction
- Rig contracts secured at attractive day rates
- Drilling expected to commence in late-2026



Suriname GranMorgu: World Class Opportunity

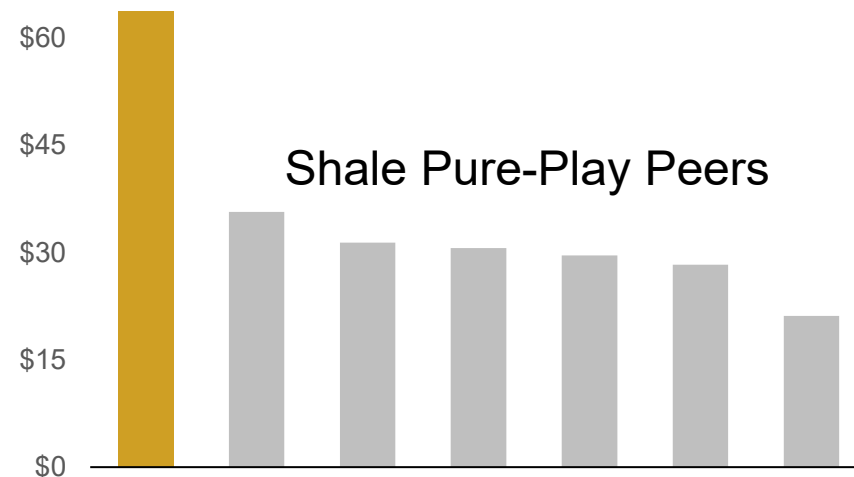
APA's Interest in GranMorgu Equates to
400 Midland Basin Locations at ~30% of the Cost

	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.

APA's Differential Gas Trading Portfolio

Expect Third-Party Purchases & Sales to Generate **\$650 million** of Pre-Tax Cash Flow in 2025

Permian Firm Transport Contracts

- ~750,000 MMbtu/d of contracted firm capacity
- Extension optionality into the late 2030s
- Buy 3rd party gas at Waha, sell at Houston Ship Channel, net of pipeline transport fee
- Favorable basis hedges in 2025, began hedging 2026

3Q25 – 4Q25 Firm Transport Book

	MMbtu/d	Index Spread
Hedged	510,000	(\$2.93) ⁽¹⁾
Unhedged	238,000	Waha / HSC
Total Volumes	748,000	

Cheniere Global LNG Contract

- 140,000 MMbtu/d contract volume
- Contract began in Aug-2023, ends Dec-2037
- Buy 3rd party gas on Gulf Coast, sell to Cheniere at global LNG pricing, net of certain costs

Projected Annual Cash Flow Sensitivity

		Global LNG (\$/Mcf)		
		\$10	\$15	\$20
HSC (\$/MCF)	\$2	\$140 MM	\$360 MM	\$570 MM
	\$3	\$90 MM	\$310 MM	\$520 MM
	\$4	\$40 MM	\$260 MM	\$470 MM

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

Guidance

Expect Reduction in U.S. & U.K. Current Taxes in 2026

– 2025:

- Benefits from the One Big Beautiful Bill (OBBB) and adjustments to 2024 estimates expected to lower 2025 U.S. current taxes
- Increase in U.K. due to higher revenue and lower operating costs (more free cash flow)

– 2026:

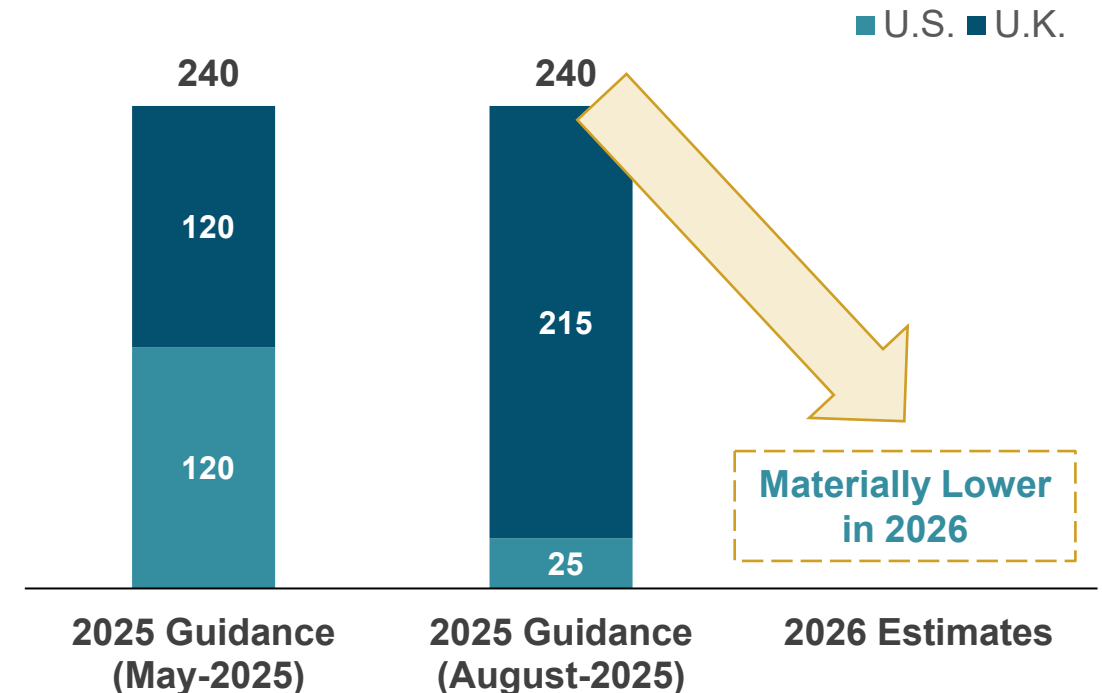
- Expected to be significantly lower than 2025
- Lower U.K. taxable income
- OBBB benefits in the U.S.

Most Impactful OBBB Provisions

Effective Date

Restoration of 100% Bonus Depreciation	Jan-2025
Treatment of Intangible Drilling & Development Costs	Jan-2026

U.S. & U.K. Current Tax Estimates⁽¹⁾



(1) Based on commodity strip pricing as of 7/31/25.

Guidance

Average Daily Production ('000)	3Q 2025	FY 2025
Total Company Reported (Oil / BOE)⁽¹⁾	228 / 448	232 / 457
Total Company Adjusted (Oil / BOE)⁽¹⁾	187 / 379	189 / 387
U.S. (Oil / BOE)	120 / 278	123 / 286
Egypt Reported (BOE) ⁽¹⁾	141 (60% oil)	142 (60% oil)
Egypt Adjusted (BOE) ⁽¹⁾	71 (60% oil)	71 (60% oil)

← Includes FY25 North Sea production of 23 Mbo/d & 29 Mboe/d

← Reduction in FY25 oil guide reflects asset sale, otherwise unchanged

← Increasing reported production due to strong gas performance

← Equates to reported production less tax & NCI barrels;
Higher tax barrels (increased profitability) impacting adjusted volumes

Capital Investment (\$ in millions)	3Q 2025	FY 2025
DC&F Capital (Permian, Egypt, North Sea)	\$490	\$1,975 - \$2,025
Suriname Development Capital	\$65	\$275
Exploration Capital	\$5	\$65
Upstream Capital Investment⁽²⁾	\$560	\$2,315 - \$2,365

← Realized savings partially offset by anticipated Permian DUC build by YE

← FY25 increased by \$75MM due to acceleration of milestone payments

Corporate Items (\$ in millions)	3Q 2025	FY 2025
Lease Operating Expense	\$405	\$1,555 - \$1,595
Gathering, Processing & Transmission Expense	\$95	\$400
General & Administrative Expense	\$95	\$350
DD&A Expense	\$550	\$2,250
Oil and Gas Purchases and Sales, Net ⁽¹⁾⁽³⁾	\$180	\$650
Cash ARO & Decommissioning Spend	\$65	\$170
U.S. & U.K. Current Income Tax Expense ⁽¹⁾	(\$35)	\$240

← FY25 reduced to reflect New Mexico asset sale

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

← FY25 decrease due to asset sale and positive Egypt gas reserve revisions

← Increasing FY25 guidance by \$75MM; Includes basis hedges

← ~90% U.K. and ~10% U.S. in FY25;
U.S. current tax reductions offset by increase in taxable income in the U.K.

(1) Guidance based on FY25 commodity strip pricing as of 7/31/25.

(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

Upstream Capital Investment

(\$ in millions)	1Q 2025	2Q 2025
United States – Lower 48	\$439	\$486
Egypt (excluding noncontrolling interest)	\$112	\$115
North Sea	\$2	--
DC&F Capital (Permian, Egypt, North Sea)	\$553	\$601
Suriname	\$116	\$31
United States – Alaska	\$41	\$16
Upstream Capital Investment	\$710	\$648

Note: Please refer to the glossary of referenced terms for the definition of Upstream Capital Investment.

Egypt Production Detail

	1Q 2025			2Q 2025		
	Oil (Bbls/d)	Gas (Mcf/d)	Boe/d	Oil (Bbls/d)	Gas (Mcf/d)	Boe/d
Gross Production	128,025	456,955	204,184	123,852	479,235	203,724
Reported Production	86,173	317,209	139,041	86,210	345,649	143,818
% Gross	67%	69%	68%	70%	72%	71%
Less: Tax Barrels	22,391	83,876	36,370	20,820	82,960	34,647
Net Production Excluding Tax Barrels	63,782	233,333	102,671	65,390	262,689	109,171
% Gross	50%	51%	50%	53%	55%	54%
Less: Noncontrolling Interest	21,261	77,778	34,224	21,797	87,563	36,390
Adjusted Production	42,521	155,555	68,447	43,593	175,126	72,781
% Gross	33%	34%	34%	35%	37%	36%

MBOE/D	2023				2024				2025	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Gross Production	232	227	223	220	214	211	211	208	204	204
Reported Production	147	144	139	144	135	133	142	140	139	144
Adjusted Production	71	70	66	70	66	65	69	70	68	72
Brent Oil Benchmark Pricing	\$82	\$78	\$86	\$83	\$82	\$85	\$79	\$74	\$75	\$67

Commodity Derivative Instruments

Basis Swap Purchased

Basis Swap Sold

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
July – December 2025	NYMEX Henry Hub / IF Waha	93,840	\$(3.16)	-	-
July – December 2025	NYMEX Henry Hub / IF HSC	-	-	42,320	\$(0.51)
January – December 2026 ⁽¹⁾	NYMEX Henry Hub / IF Waha	63,875	\$(1.95)	-	-

(1) Includes hedges subsequently entered into after 6/30/2025.

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		
	June 30,	March 31,	June 30,
	2025	2025	2024
Net cash provided by operating activities	\$ 1,181	\$ 1,096	\$ 877
Adjustments:			
Exploration expense other than dry hole expense and unproved leasehold impairments	11	19	30
Current income tax provision	232	306	285
Other adjustments to reconcile net income to net cash provided by operating activities	(5)	(13)	(21)
Changes in operating assets and liabilities	(200)	(45)	190
Financing costs, net (excludes gain on extinguishment of debt)	69	85	100
Transaction, reorganization & separation costs	11	37	115
Adjusted EBITDAX (Non-GAAP)	<u>\$ 1,299</u>	<u>\$ 1,485</u>	<u>\$ 1,576</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	
	June 30,	
	2025	2024
Net cash provided by operating activities	\$ 1,181	\$ 877
Changes in operating assets and liabilities	(200)	190
Cash flows from operations before changes in operating assets and liabilities	\$ 981	\$ 1,067
Adjustments to free cash flow:		
Upstream capital investment including noncontrolling interest - Egypt	(705)	(892)
Abandonment and decommissioning spend	(40)	(10)
Leasehold acquisitions and other	(11)	(9)
Distributions to Sinopec noncontrolling interest	(91)	(53)
Free cash flow	\$ 134	\$ 103

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 June 30, 2025			
	<u>North Sea</u>	<u>Egypt</u>	<u>U.S. and Other</u>	<u>Consolidated</u>
Net cash provided by operating activities	66	418	697	1,181
Changes in operating assets and liabilities	(53)	(50)	(97)	(200)
Cash flows from operations before changes in operating assets and liabilities	<u>\$ 13</u>	<u>\$ 368</u>	<u>\$ 600</u>	<u>\$ 981</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>June 30, 2025</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Current debt	\$ 263	\$ 131	\$ 53	\$ 2
Long-term debt	<u>4,288</u>	<u>5,237</u>	<u>5,991</u>	<u>6,370</u>
Total debt	4,551	5,368	6,044	6,372
Cash and cash equivalents	107	67	625	64
Net debt	<u>\$ 4,444</u>	<u>\$ 5,301</u>	<u>\$ 5,419</u>	<u>\$ 6,308</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	
	June 30,	
	2025	2024
Costs incurred in oil and gas property:		
Asset and leasehold acquisitions	\$ 8	\$ 4,493
Exploration and development	735	933
Total Costs incurred in oil and gas property	\$ 743	\$ 5,426
Reconciliation of Costs incurred to Upstream capital investment:		
Total Costs incurred in oil and gas property	\$ 743	\$ 5,426
Asset and leasehold acquisitions	(8)	(4,493)
Asset retirement obligations incurred - oil and gas property	(3)	(4)
Capitalized interest	(16)	(7)
Exploration seismic and administration costs	(11)	(30)
Upstream capital investment including noncontrolling interest - Egypt	\$ 705	\$ 892
Less noncontrolling interest - Egypt	(57)	(65)
Total Upstream capital investment	\$ 648	\$ 827



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