

## CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)

(\$ in millions, except per share data)

	June 30, 2025	December 31, 2024
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 731	\$ 317
Restricted cash	75	78
Accounts receivable, net	1,074	1,226
Derivative assets	46	84
Other current assets	346	292
Total current assets	2,272	1,997
Property and equipment:		
Natural gas and oil properties, successful efforts method		
Proved natural gas and oil properties	24,755	23,093
Unproved properties	5,563	5,897
Other property and equipment	679	654
Total property and equipment	30,997	29,644
Less: accumulated depreciation, depletion and amortization	(6,825)	(5,362)
Total property and equipment, net	24,172	24,282
Long-term derivative assets	13	1
Deferred income tax assets	457	589
Other long-term assets	854	1,025
<b>Total assets</b>	<b>\$ 27,768</b>	<b>\$ 27,894</b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 747	\$ 777
Current maturities of long-term debt, net	—	389
Accrued interest	107	100
Derivative liabilities	155	71
Other current liabilities	1,915	1,786
Total current liabilities	2,924	3,123
Long-term debt, net	5,122	5,291
Long-term derivative liabilities	85	68
Asset retirement obligations, net of current portion	513	499
Long-term contract liabilities	1,083	1,227
Other long-term liabilities	104	121
Total liabilities	9,831	10,329
Contingencies and commitments		
Stockholders' equity:		
Common stock, \$0.01 par value, 450,000,000 shares authorized: 237,437,223 and 231,769,886 shares issued	2	2
Additional paid-in capital	13,716	13,687
Retained earnings	4,219	3,876
Total stockholders' equity	17,937	17,565
<b>Total liabilities and stockholders' equity</b>	<b>\$ 27,768</b>	<b>\$ 27,894</b>

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(\$ in millions, except per share data)</i>				
<b>Revenues and other:</b>				
Natural gas, oil and NGL	\$ 2,021	\$ 378	\$ 4,321	\$ 967
Marketing	788	136	1,698	448
Natural gas, oil and NGL derivatives	877	(11)	(137)	161
Gains on sales of assets	4	2	4	10
Total revenues and other	3,690	505	5,886	1,586
<b>Operating expenses:</b>				
Production	151	49	298	108
Gathering, processing and transportation	563	154	1,126	327
Severance and ad valorem taxes	49	18	97	47
Exploration	20	3	27	5
Marketing	791	141	1,710	464
General and administrative	40	47	87	94
Separation and other termination costs	—	23	—	23
Depreciation, depletion and amortization	769	348	1,480	747
Other operating expense, net	38	16	60	33
Total operating expenses	2,421	799	4,885	1,848
<b>Income (loss) from operations</b>	<b>1,269</b>	<b>(294)</b>	<b>1,001</b>	<b>(262)</b>
<b>Other income (expense):</b>				
Interest expense	(60)	(20)	(119)	(39)
Gains (losses) on purchases, exchanges or extinguishments of debt	3	(2)	3	(2)
Other income, net	16	21	24	41
Total other income (expense)	(41)	(1)	(92)	—
<b>Income (loss) before income taxes</b>	<b>1,228</b>	<b>(295)</b>	<b>909</b>	<b>(262)</b>
Income tax expense (benefit)	260	(68)	190	(61)
<b>Net income (loss)</b>	<b>\$ 968</b>	<b>\$ (227)</b>	<b>\$ 719</b>	<b>\$ (201)</b>
<b>Earnings (loss) per common share:</b>				
Basic	\$ 4.07	\$ (1.73)	\$ 3.04	\$ (1.53)
Diluted	\$ 4.02	\$ (1.73)	\$ 2.99	\$ (1.53)
<b>Weighted average common shares outstanding (in thousands):</b>				
Basic	237,973	131,168	236,213	131,030
Diluted	240,560	131,168	240,628	131,030

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

(\$ in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<b>Cash flows from operating activities:</b>				
Net income (loss)	\$ 968	\$ (227)	\$ 719	\$ (201)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation, depletion and amortization	769	348	1,480	747
Deferred income tax expense (benefit)	171	(68)	134	(61)
Derivative (gains) losses, net	(877)	11	137	(161)
Cash receipts (payments) on derivative settlements, net	16	260	(29)	488
Share-based compensation	13	10	22	19
Gains on sales of assets	(4)	(2)	(4)	(10)
Contract amortization	(72)	—	(124)	—
(Gains) losses on purchases, exchanges or extinguishments of debt	(3)	2	(3)	2
Other	20	6	16	(7)
Changes in assets and liabilities	321	(131)	70	(55)
Net cash provided by operating activities	1,322	209	2,418	761
<b>Cash flows from investing activities:</b>				
Capital expenditures	(657)	(302)	(1,220)	(723)
Receipts of deferred consideration	56	56	116	116
Contributions to investments	(5)	(26)	(9)	(45)
Proceeds from divestitures of property and equipment	15	6	15	12
Net cash used in investing activities	(591)	(266)	(1,098)	(640)
<b>Cash flows from financing activities:</b>				
Proceeds from Credit Facility	100	—	825	—
Payments on Credit Facility	(100)	—	(825)	—
Proceeds from warrant exercise	1	1	22	1
Debt issuance and other financing costs	—	(4)	—	(4)
Cash paid to repurchase and retire common stock	(99)	—	(99)	—
Cash paid to purchase debt	(117)	—	(553)	—
Cash paid for common stock dividends	(137)	(99)	(279)	(176)
Net cash used in financing activities	(352)	(102)	(909)	(179)
Net increase (decrease) in cash, cash equivalents and restricted cash	379	(159)	411	(58)
Cash, cash equivalents and restricted cash, beginning of period	427	1,254	395	1,153
Cash, cash equivalents and restricted cash, end of period	\$ 806	\$ 1,095	\$ 806	\$ 1,095
Cash and cash equivalents	\$ 731	\$ 1,019	\$ 731	\$ 1,019
Restricted cash	75	76	75	76
Total cash, cash equivalents and restricted cash	\$ 806	\$ 1,095	\$ 806	\$ 1,095

**NATURAL GAS, OIL AND NGL PRODUCTION AND AVERAGE SALES PRICES (unaudited)**

	Three Months Ended June 30, 2025							
	Natural Gas		Oil		NGL		Total	
	MMcf per day	\$/Mcf	MBbl per day	\$/Bbl	MBbl per day	\$/Bbl	MMcfe per day	\$/Mcfe
Haynesville	2,978	3.12	—	—	—	—	2,978	3.12
Northeast Appalachia	2,662	2.65	—	—	—	—	2,662	2.65
Southwest Appalachia	956	3.11	18	54.47	83	23.19	1,562	3.75
Total	<u>6,596</u>	2.93	<u>18</u>	54.47	<u>83</u>	23.19	<u>7,202</u>	3.08
Average NYMEX Price		3.44		63.74				
Average Realized Price (including realized derivatives)		2.98		55.89		23.08		3.14

	Three Months Ended June 30, 2024							
	Natural Gas		Oil		NGL		Total	
	MMcf per day	\$/Mcf	MBbl per day	\$/Bbl	MBbl per day	\$/Bbl	MMcfe per day	\$/Mcfe
Haynesville	1,191	1.70	—	—	—	—	1,191	1.70
Northeast Appalachia	1,554	1.35	—	—	—	—	1,554	1.35
Total	<u>2,745</u>	1.51	<u>—</u>	—	<u>—</u>	—	<u>2,745</u>	1.51
Average NYMEX Price		1.89		—				
Average Realized Price (including realized derivatives)		2.51		—		—		2.51

	Six Months Ended June 30, 2025							
	Natural Gas		Oil		NGL		Total	
	MMcf per day	\$/Mcf	MBbl per day	\$/Bbl	MBbl per day	\$/Bbl	MMcfe per day	\$/Mcfe
Haynesville	2,798	3.29	—	—	—	—	2,798	3.29
Northeast Appalachia	2,665	3.20	—	—	—	—	2,665	3.20
Southwest Appalachia	963	3.24	16	58.34	79	26.66	1,533	4.01
Total	<u>6,426</u>	3.24	<u>16</u>	58.34	<u>79</u>	26.66	<u>6,996</u>	3.41
Average NYMEX Price		3.55		67.58				
Average Realized Price (including realized derivatives)		3.24		59.30		26.04		3.40

	Six Months Ended June 30, 2024							
	Natural Gas		Oil		NGL		Total	
	MMcf per day	\$/Mcf	MBbl per day	\$/Bbl	MBbl per day	\$/Bbl	MMcfe per day	\$/Mcfe
Haynesville	1,334	1.88	—	—	—	—	1,334	1.88
Northeast Appalachia	1,637	1.71	—	—	—	—	1,637	1.71
Total	<u>2,971</u>	1.79	<u>—</u>	—	<u>—</u>	—	<u>2,971</u>	1.79
Average NYMEX Price		2.07		—				
Average Realized Price (including realized derivatives)		2.69		—		—		2.69

### CAPITAL EXPENDITURES ACCRUED (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(\$ in millions)</i>				
Drilling and completion capital expenditures:				
Haynesville	\$ 348	\$ 131	\$ 634	\$ 326
Northeast Appalachia	117	93	220	198
Southwest Appalachia	138	—	303	—
Total drilling and completion capital expenditures	<u>603</u>	<u>224</u>	<u>1,157</u>	<u>524</u>
Non-drilling and completion - field	86	39	142	74
Non-drilling and completion - corporate	38	30	90	49
Total capital expenditures	<u>\$ 727</u>	<u>\$ 293</u>	<u>\$ 1,389</u>	<u>\$ 647</u>

## SHAREHOLDER RETURNS (unaudited)

The total common stock dividend, including the variable and base components, is calculated as follows:

<i>(\$ and shares in millions, except per share amounts)</i>	<b>Six Months Ended June 30, 2025</b>	
<b>Net cash provided by operating activities (GAAP)</b>	\$	2,418
Less cash capital expenditures		(1,220)
Less contributions to investments		(9)
Less cash paid for common stock base dividends (Tranche 1)		(274)
Less net debt reduction (Tranche 2)		(500)
<b>Free cash flow (Non-GAAP) after Tranche 1 and Tranche 2</b>		415
<b>Free cash flow (Non-GAAP) available for additional returns to equity (Tranche 3) <sup>(1)</sup></b>		311
Less common stock repurchases		(100)
<b>Amount available for variable dividend</b>	\$	211
Common shares outstanding at 7/24/25 <sup>(2)</sup>		238
Variable dividend payable per common share in September 2025	\$	0.89
Base dividend payable per common share in September 2025	\$	0.575
Total dividend payable per common share in September 2025	\$	1.465

(1) Represents approximately 75% of the free cash flow after Tranche 1 and Tranche 2.

(2) Basic common shares outstanding as of 7/24/2025 assumes no exercise of warrants between 7/24/2025 and dividend record date.

## NON-GAAP FINANCIAL MEASURES

As a supplement to the financial results prepared in accordance with U.S. GAAP, Expand Energy's quarterly earnings releases contain certain financial measures that are not prepared or presented in accordance with U.S. GAAP. These non-GAAP financial measures include Adjusted Net Income, Adjusted Diluted Earnings Per Common Share, Adjusted EBITDAX, Free Cash Flow, Adjusted Free Cash Flow and Net Debt. A reconciliation of each financial measure to its most directly comparable GAAP financial measure is included in the tables below. Management believes these adjusted financial measures are a meaningful adjunct to earnings and cash flows calculated in accordance with GAAP because (a) management uses these financial measures to evaluate the Company's trends and performance, (b) these financial measures are comparable to estimates provided by securities analysts, and (c) items excluded generally are one-time items or items whose timing or amount cannot be reasonably estimated. Accordingly, any guidance provided by the Company generally excludes information regarding these types of items.

Expand Energy's definitions of each non-GAAP measure presented herein are provided below. Because not all companies or securities analysts use identical calculations, Expand Energy's non-GAAP measures may not be comparable to similarly titled measures of other companies or securities analysts.

**Adjusted Net Income:** Adjusted Net Income is defined as net income (loss) adjusted to exclude unrealized (gains) losses on natural gas and oil derivatives, (gains) losses on sales of assets, and certain items management believes affect the comparability of operating results, less a tax effect using applicable rates. Expand Energy believes that Adjusted Net Income facilitates comparisons of the Company's period-over-period performance, by excluding the impact of items that, in the opinion of management, do not reflect Expand Energy's core operating performance. Adjusted Net Income should not be considered an alternative to, or more meaningful than, net income (loss) as presented in accordance with GAAP.

**Adjusted Diluted Earnings Per Common Share:** Adjusted Diluted Earnings Per Common Share is defined as diluted earnings (loss) per common share adjusted to exclude the per diluted share amounts attributed to unrealized (gains) losses on natural gas and oil derivatives, (gains) losses on sales of assets, and certain items management believes affect the comparability of operating results, less a tax effect using applicable rates. Expand Energy believes that Adjusted Diluted Earnings Per Common Share facilitates comparisons of the Company's period-over-period performance, by excluding the impact of items that, in the opinion of management, do not reflect Expand Energy's core operating performance. Adjusted Diluted Earnings Per Common Share should not be considered an alternative to, or more meaningful than, earnings (loss) per common share as presented in accordance with GAAP.

**Adjusted EBITDAX:** Adjusted EBITDAX is defined as net income (loss) before interest expense, income tax expense (benefit), depreciation, depletion and amortization expense, exploration expense, unrealized (gains) losses on natural gas and oil derivatives, separation and other termination costs, (gains) losses on sales of assets, and certain items management believes affect the comparability of operating results. Adjusted EBITDAX is presented as it provides investors an indication of the Company's ability to internally fund exploration and development activities and service or incur debt. Adjusted EBITDAX should not be considered an alternative to, or more meaningful than, net income (loss) as presented in accordance with GAAP.

**Free Cash Flow:** Free Cash Flow is defined as net cash provided by operating activities less cash capital expenditures. Free Cash Flow is a liquidity measure that provides investors additional information regarding the Company's ability to service or incur debt and return cash to shareholders. Free Cash Flow should not be considered an alternative to, or more meaningful than, net cash provided by (used in) operating activities, or any other measure of liquidity presented in accordance with GAAP.

**Adjusted Free Cash Flow:** Adjusted Free Cash Flow is defined as net cash provided by operating activities less cash capital expenditures and cash contributions to investments, adjusted to exclude certain items management believes affect the comparability of operating results. Adjusted Free Cash Flow is a liquidity measure that provides investors additional information regarding the Company's ability to service or incur debt and return cash to shareholders. Adjusted Free Cash Flow should not be considered an alternative to, or more meaningful than, net cash provided by (used in) operating activities, or any other measure of liquidity presented in accordance with GAAP.

**Net Debt:** Net Debt is defined as GAAP total debt excluding premiums, discounts, and deferred issuance costs less cash and cash equivalents. Net Debt is useful to investors as a widely understood measure of liquidity and leverage, but this measure should not be considered as an alternative to, or more meaningful than, total debt presented in accordance with GAAP.

## RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED NET INCOME (unaudited)

(\$ in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<b>Net income (loss) (GAAP)</b>	\$ 968	\$ (227)	\$ 719	\$ (201)
<b>Adjustments:</b>				
Unrealized (gains) losses on natural gas and oil derivatives	(842)	262	127	329
Separation and other termination costs	—	23	—	23
Gains on sales of assets	(4)	(2)	(4)	(10)
Other operating expense, net	32	16	58	35
(Gains) losses on purchases, exchanges or extinguishments of debt	(3)	2	(3)	2
Contract amortization	(72)	—	(124)	—
Other	(8)	(5)	(12)	(13)
Tax effect of adjustments <sup>(a)</sup>	194	(68)	(9)	(84)
<b>Adjusted net income (Non-GAAP)</b>	<u>\$ 265</u>	<u>\$ 1</u>	<u>\$ 752</u>	<u>\$ 81</u>

(a) The three- and six-month periods ended June 30, 2025 and June 30, 2024 include a tax effect attributed to reconciling adjustments using a statutory rate of 22% and 23%, respectively.

## RECONCILIATION OF EARNINGS (LOSS) PER COMMON SHARE TO ADJUSTED DILUTED EARNINGS PER COMMON SHARE (unaudited)

(\$/share)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<b>Earnings (loss) per common share (GAAP)</b>	\$ 4.07	\$ (1.73)	\$ 3.04	\$ (1.53)
Effect of dilutive securities	(0.05)	—	(0.05)	—
<b>Diluted earnings (loss) per common share (GAAP)</b>	\$ 4.02	\$ (1.73)	\$ 2.99	\$ (1.53)
<b>Adjustments:</b>				
Unrealized (gains) losses on natural gas and oil derivatives	(3.50)	1.99	0.53	2.51
Separation and other termination costs	—	0.17	—	0.17
Gains on sales of assets	(0.02)	(0.01)	(0.02)	(0.08)
Other operating expense, net	0.13	0.13	0.24	0.27
(Gains) losses on purchases, exchanges or extinguishments of debt	(0.01)	0.01	(0.01)	0.01
Contract amortization	(0.30)	—	(0.51)	—
Other	(0.03)	(0.03)	(0.05)	(0.10)
Tax effect of adjustments <sup>(a)</sup>	0.81	(0.52)	(0.04)	(0.64)
Effect of dilutive securities	—	—	—	(0.04)
<b>Adjusted diluted earnings per common share (Non-GAAP)</b>	<u>\$ 1.10</u>	<u>\$ 0.01</u>	<u>\$ 3.13</u>	<u>\$ 0.57</u>

(a) The three- and six-month periods ended June 30, 2025 and June 30, 2024 include a tax effect attributed to reconciling adjustments using a statutory rate of 22% and 23%, respectively.

## RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDAX (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(\$ in millions)</i>				
<b>Net income (loss) (GAAP)</b>	\$ 968	\$ (227)	\$ 719	\$ (201)
<b>Adjustments:</b>				
Interest expense	60	20	119	39
Income tax expense (benefit)	260	(68)	190	(61)
Depreciation, depletion and amortization	769	348	1,480	747
Exploration	20	3	27	5
Unrealized (gains) losses on natural gas and oil derivatives	(842)	262	127	329
Separation and other termination costs	—	23	—	23
Gains on sales of assets	(4)	(2)	(4)	(10)
Other operating expense, net	32	16	58	35
(Gains) losses on purchases, exchanges or extinguishments of debt	(3)	2	(3)	2
Contract amortization	(72)	—	(124)	—
Other	(12)	(19)	(18)	(42)
<b>Adjusted EBITDAX (Non-GAAP)</b>	<u>\$ 1,176</u>	<u>\$ 358</u>	<u>\$ 2,571</u>	<u>\$ 866</u>

## RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO ADJUSTED FREE CASH FLOW (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>(\$ in millions)</i>				
<b>Net cash provided by operating activities (GAAP)</b>	\$ 1,322	\$ 209	\$ 2,418	\$ 761
Cash capital expenditures	(657)	(302)	(1,220)	(723)
<b>Free cash flow (Non-GAAP)</b>	<u>665</u>	<u>(93)</u>	<u>1,198</u>	<u>38</u>
Cash paid for merger expenses	32	—	80	—
Cash contributions to investments	(5)	(26)	(9)	(45)
<b>Adjusted free cash flow (Non-GAAP)</b>	<u>\$ 692</u>	<u>\$ (119)</u>	<u>\$ 1,269</u>	<u>\$ (7)</u>

## RECONCILIATION OF TOTAL DEBT TO NET DEBT (unaudited)

	June 30, 2025
<b>Total debt (GAAP)</b>	\$ 5,122
Premiums, discounts and issuance costs on debt	13
<b>Principal amount of debt</b>	<u>5,135</u>
Cash and cash equivalents	(731)
<b>Net debt (Non-GAAP)</b>	<u>\$ 4,404</u>