



NYSE: SM
SM-Energy.com



Second Quarter 2025 Financial & Operating Results

July 31, 2025

Disclaimers

Forward-looking Statements

This presentation contains forward-looking statements within the meaning of securities laws. The words “believes,” “demonstrate,” “estimate,” “expect,” “intends,” “plan,” “predictions,” “preliminary,” “target,” and similar expressions are intended to identify forward-looking statements. Forward-looking statements in this release include, among other things: certain projections regarding the Company’s 2025 strategic objectives including operational execution, returning capital to stockholders and reducing debt, and maintaining and expanding a portfolio of top tier inventory; inventory quality and duration; progress toward achieving our leverage target; expected annual dividend yield; estimated net proved reserves and average net daily production for 2025; full year and third quarter 2025 guidance for capital expenditures, net production, oil percentage, operating costs, G&A, DD&A, exploration expense and cash taxes; the number of wells we plan to drill and complete and the associated activity in each of our operating areas; the number of drilling rigs and frac crews expected to be deployed for the remainder of 2025; percentage of expected future net production that is hedged; plan to process ethane for certain periods in 2025; and predicted well performance based on machine learning completions optimization. These statements involve known and unknown risks, which may cause SM Energy's actual results to differ materially from results expressed or implied by the forward-looking statements. Future results may be impacted by the risks discussed in the Risk Factors section of SM Energy's most recent Annual Report on Form 10-K, and such risk factors may be updated from time to time in the Company's other periodic reports filed with the Securities and Exchange Commission. The forward-looking statements contained herein speak as of the date of this release. Although SM Energy may from time to time voluntarily update its prior forward-looking statements, it disclaims any commitment to do so, except as required by securities laws.

Non-GAAP Financial Measures and Metrics

This presentation references non-GAAP financial measures and metrics. Please see the “Non-GAAP Definitions, Reconciliations and Disclosures” section of the Appendix, which includes definitions of non-GAAP measures and metrics used in this presentation and reconciliations of non-GAAP measures to the most directly comparable GAAP measure.

SM Energy is...

A PREMIER OPERATOR OF TOP-TIER ASSETS

A PREMIER OPERATOR:

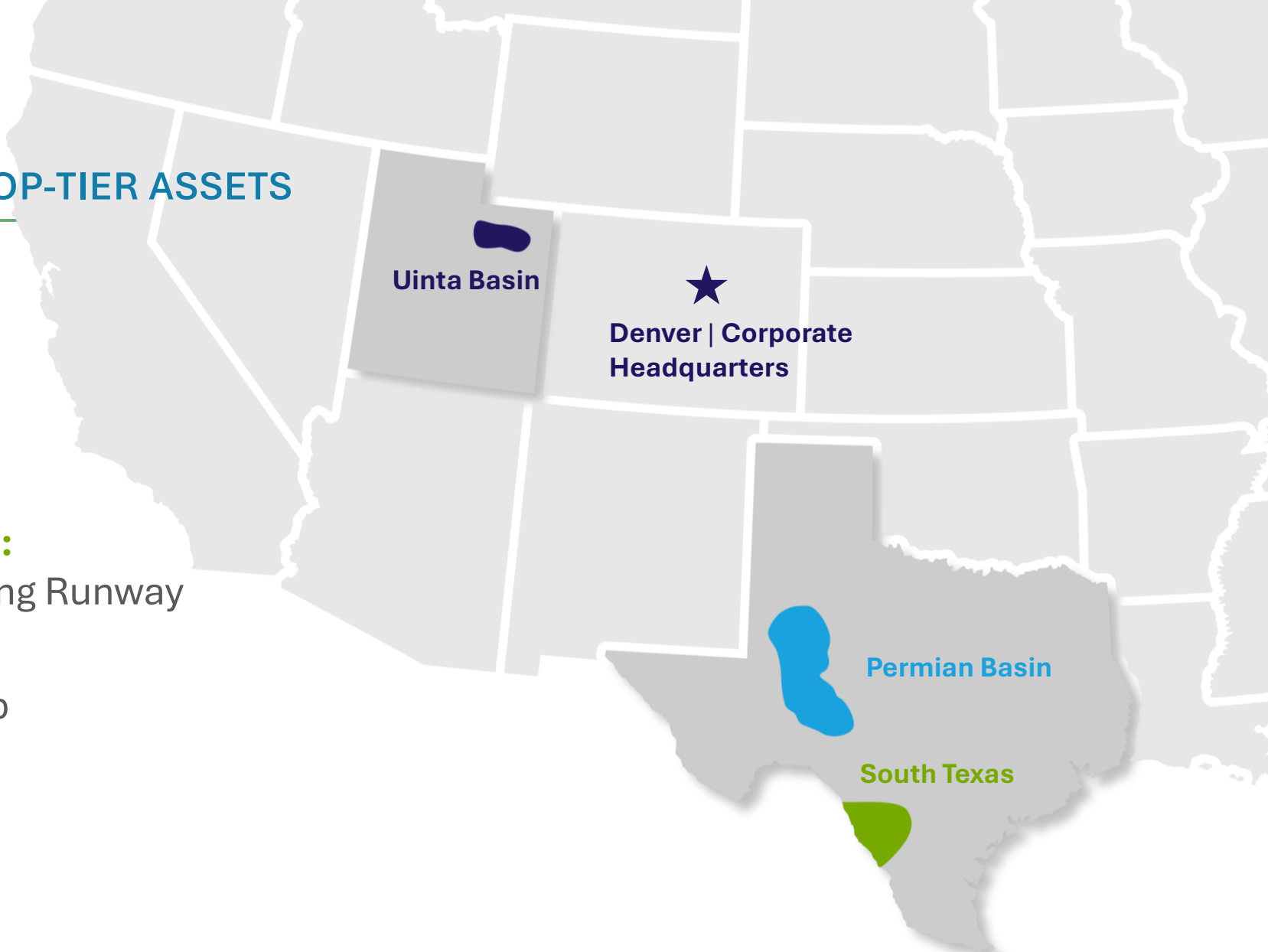
Capital Efficiency

OWNER OF TOP-TIER ASSETS:

High-Quality Inventory with Long Runway

A LEADER:

Sustainability and Stewardship



1

Focus on Operational
Execution

2

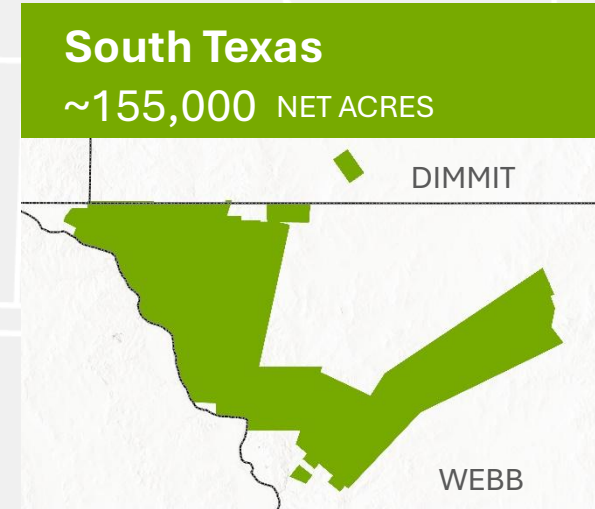
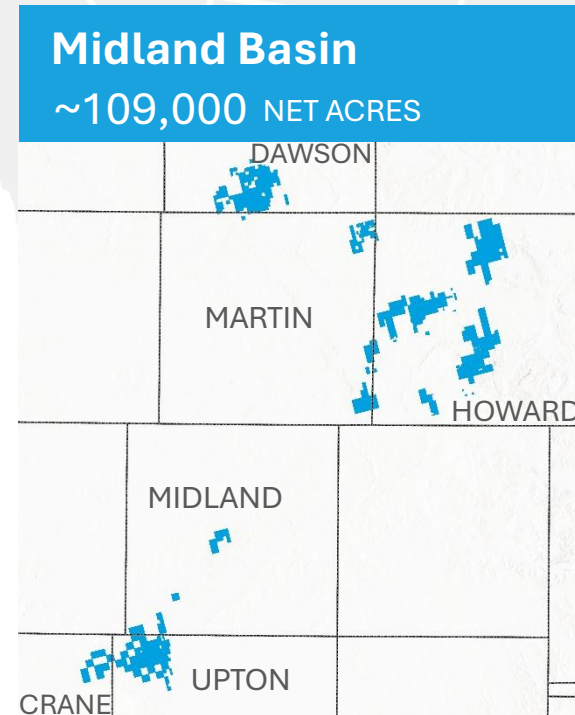
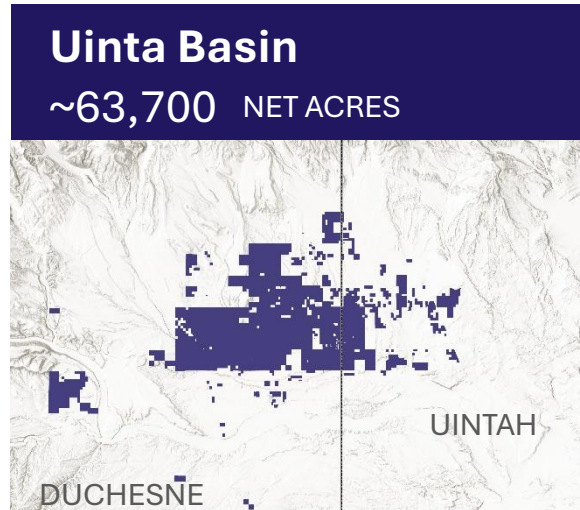
Return Capital to
Stockholders

3

Expand Portfolio of
Top-Tier Inventory

Top-Tier Assets

UINTA BASIN | MIDLAND BASIN | SOUTH TEXAS



2025 Core Strategic Objectives

2ND QUARTER STANDOUT PERFORMANCE BUILDS MOMENTUM TOWARDS OBJECTIVES

1

Focus on operational execution

- **Record-breaking Q2 production** | 209.1 MBoe/d at **55% oil**
- Strong Q2 **financial beat**
 - Adj. net income per share⁽¹⁾ of \$1.50
 - Adj. EBITDAX⁽¹⁾ of \$570MM
- **Uinta Basin** integration complete → optimization mode
- **Efficiency** gains result in activity acceleration

2

Return capital to stockholders

- **\$0.20 per share cash dividend** paid in Q2 | Annualized dividend yield of 3%⁽²⁾
- **Reduced net debt**⁽¹⁾ by ~\$140MM in Q2 | Progressing toward 1x leverage target and positioned for stock repurchases⁽³⁾

3

Expand our portfolio of top-tier economic drilling inventory

- **Testing new zones** on existing acreage to capture incremental value
- Differentiated by **geoscience-led inventory growth**

(1) Indicates a non-GAAP measure or metric. Please refer to the “Non-GAAP Definitions, Reconciliations and Disclosures” section in the Appendix.

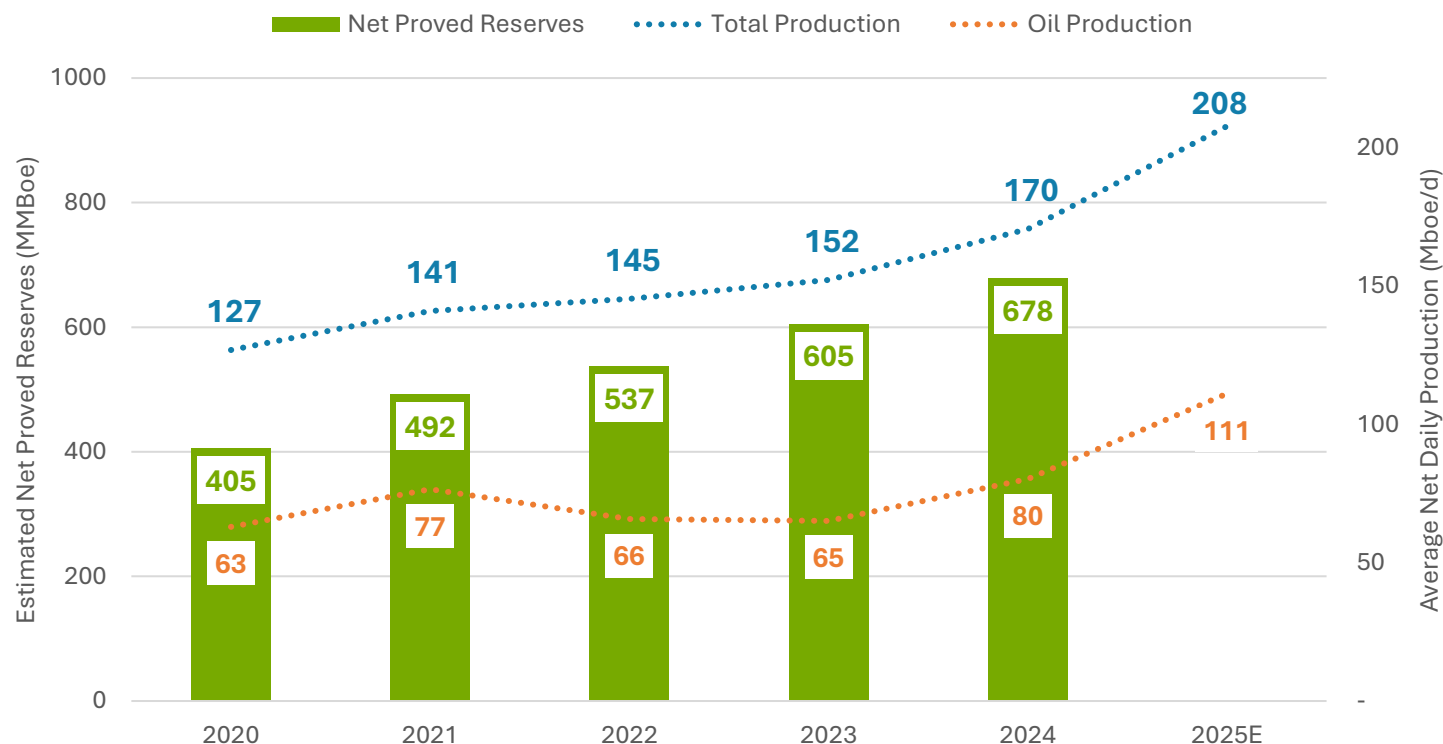
(2) Assumes quarterly dividend of \$0.20 per share and stock price at close of business on July 23, 2025.

(3) Board approved stock repurchase program in the amount of \$500 million through December 31, 2027.

Step-Change in Scale and Value

PROVED RESERVE AND PRODUCTION GROWTH: 5+ YEAR CLIMB

Estimated Net Proved Reserves⁽³⁾ and Average Net Daily Production



↑ 68%⁽¹⁾

Estimated Net Proved Reserves

↑ 64%⁽²⁾

Total Net Production

↑ 76%⁽²⁾

Oil Production

(1) Represents the increase in estimated net proved reserves from December 31, 2020, to December 31, 2024.

(2) Represents the increase in average total net daily production (Mboe/d) and average net daily oil production (Mboe/d) from full-year 2020 to estimated full-year 2025, with 2025 estimates based on the midpoint of full year 2025 guidance.

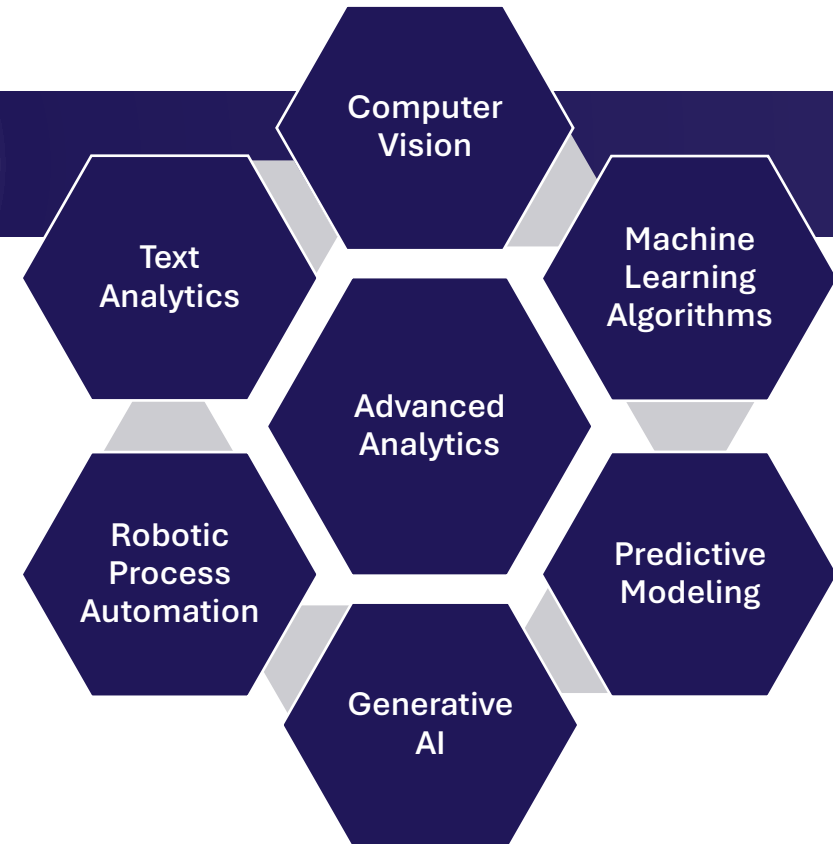
(3) SEC Pricing	2020	2021	2022	2023	2024
Oil (\$/Bbl)	\$39.57	\$66.56	\$93.67	\$78.22	\$75.48
Gas (\$/MMBtu)	\$1.99	\$3.60	\$6.36	\$2.64	\$2.13
NGLs (\$/Bbl)	\$17.64	\$36.60	\$42.52	\$27.72	\$28.29

Value-Driven Technical Expertise

TECHNOLOGY IS PART OF OUR DNA

Upcoming...

16th Annual – Geosciences & Technical Conference



Focus on Operational Execution

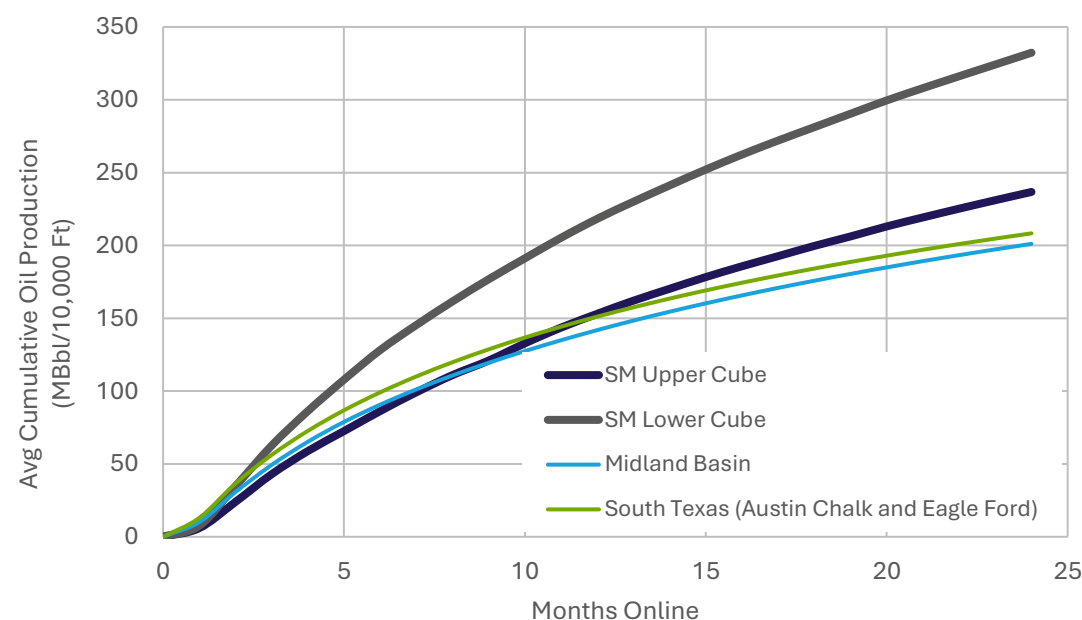
ESTABLISHING PRESENCE, DRIVING PERFORMANCE IN UINTA BASIN

“What SM Energy has demonstrated is unquestionable and bold leadership in deploying cutting edge technology in the Uinta Basin, which benefits the company, the industry, and our communities.”

State Senator Ronald M. Winterton ⁽¹⁾



Uinta Basin Oil Production Competitive with Other Basins⁽²⁾



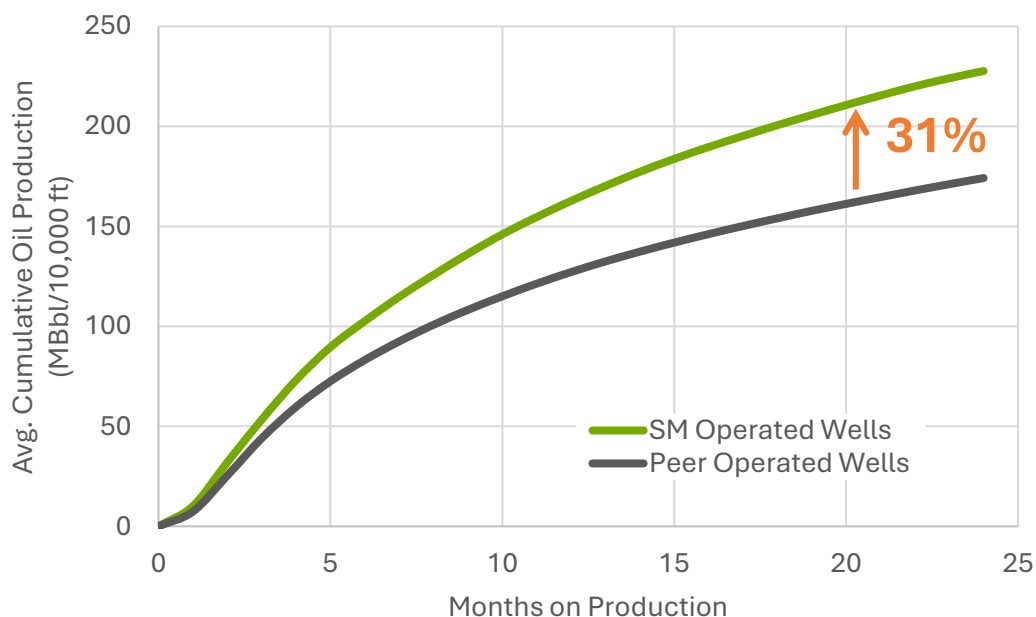
⁽¹⁾ Ronald M. Winterton is a Utah State Senator.

⁽²⁾ Enverus data as of July 2025. | Horizontal wells completed post 2010 for SM-operated Lower Cube and Upper Cube wells, and for the Midland Basin and the Western Gulf Coast regions.

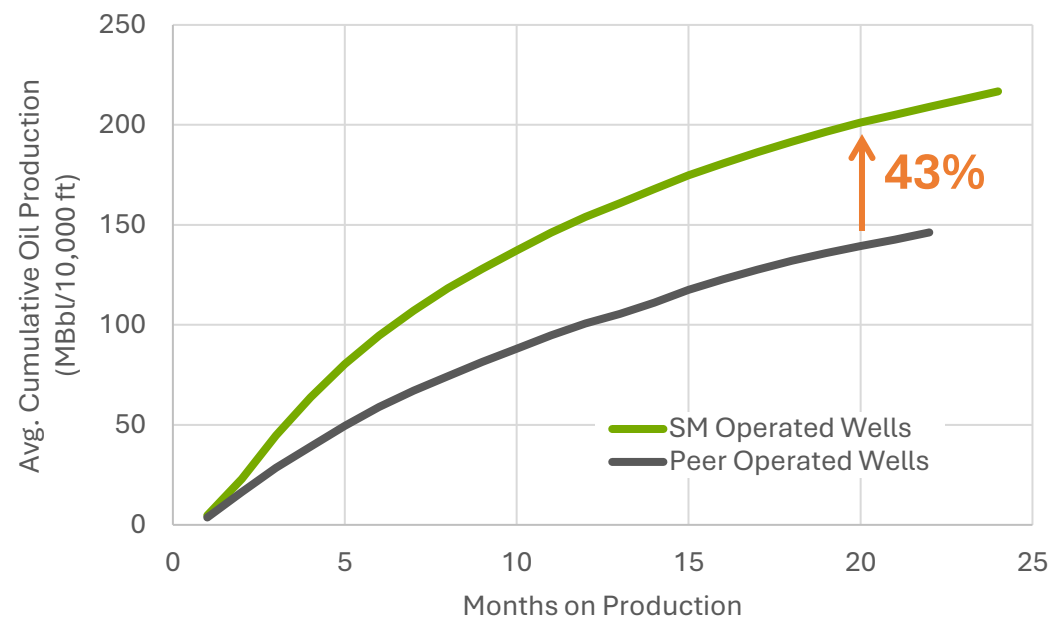
Focus on Operational Execution

CONTINUED OUTPERFORMANCE COMPARED TO PEERS

SM Energy Wells v. Howard County Peers⁽¹⁾



SM Energy Wells v. Austin Chalk Peers⁽²⁾

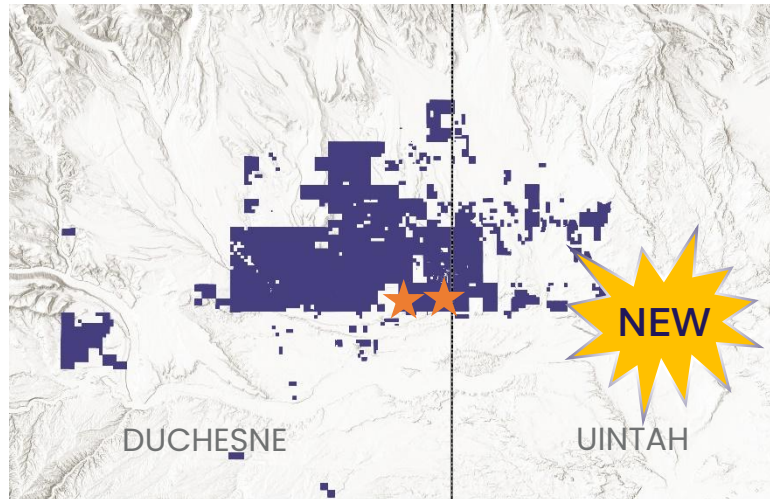


(1) Enverus data as of July 2025. | Horizontal wells completed in Howard County January 2021 through April 2025. | Peers include APA, Bayswater, Birch Operations, CVX, FANG, HighPeak Energy, HOG Resources, Langford & Brigham, OVV, OXY, Paladin Petroleum, SGY, Spirit O&G Operating, SOGC, VTLE and XOM.

(2) Enverus data as of July 2025. | Oil production in the West Condensate area of the Austin Chalk. | Horizontal wells completed January 2018 through April 2025. | Peers include CRGY, CVX, Endeavor Natural Gas, and Grit Oil & Gas.

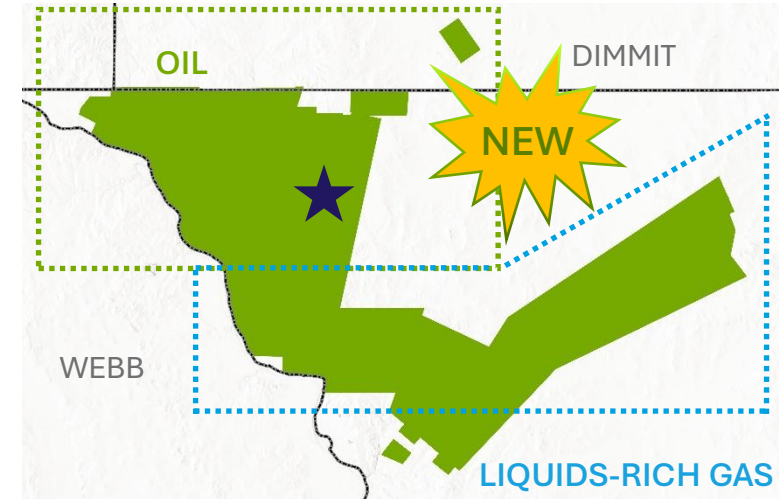
Focus on Operational Execution

NEW WELLS REACH IP30 IN UINTA BASIN AND SOUTH TEXAS



New Wells that Reached IP30

- 22 Lower Cube wells
- 1,386 Avg. Boe/d per well
- 89% Oil
- 10,447' Avg. lateral length



New Wells that Reached IP30

- 4 Austin Chalk wells
- 1,646 Avg. Boe/d per well
- 52% Oil | 77% Liquids
- 10,270' Avg. lateral length

Uinta Basin: Delivering on the Promise

INTEGRATION ACHIEVED → OPTIMIZATION UNDERWAY

Driver of production beat



- Optimized marketing boosts oil takeaway
- Record daily volume from Price River Terminal ⁽¹⁾

Capital efficiency gains



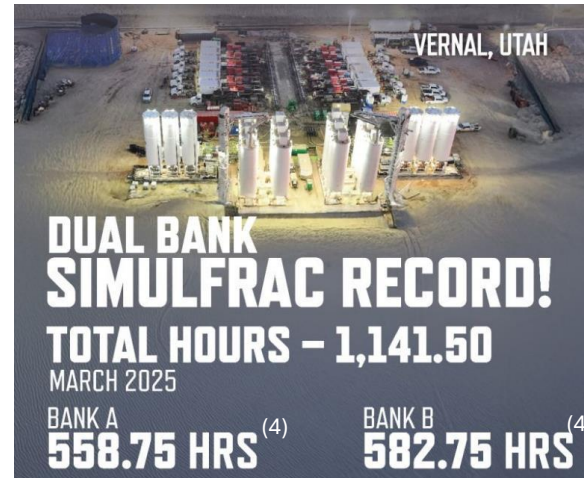
- Record pumping time
- First 3-mile lateral drilled in Upper Cube
- Remote e-fleet to frac 30+ wells
- 100% recycled H₂O used in frac during May and June

Operated sand mine



- Conveyor system deployed
- \$15 - \$30 per lateral foot savings ⁽²⁾
- Reduced trucking ⁽³⁾ & downtime

SM ENERGY | PROFRAC



(1) The Price River Terminal in Utah is a rail facility that transfers oil from trucks to tanks which is then loaded onto railcars for transportation to refineries/purchasers across the United States.

(2) For wells within certain distance of sand mine | near-term gross well count 30+.

(3) Reduces daily truck traffic by ~ 80 vehicles, supporting safer roads and lower emissions.

(4) "HRS" indicates pumping hours.

Texas: Reliable Execution | Efficiency Gains

FASTER DRILLING & COMPLETION | IMPROVED LOGISTICS

Avg. per Day
Drilling Footage



↑ 19%

+

Avg. per Day
Completed Footage

↑ 64%

=



Avg. per Foot
D&C Cost



↓ 15%

Permian –

- Improved **Woodford** drilling footage per day
- Engineering well design for ↑ efficiency and ↓ cost



South Texas –

- Supply chain improvements to ↓ non-productive time
 - Utilizing lease gas as frac fuel source
 - Optimized sand logistics

Operational Excellence

SETTING THE STANDARD IN RESPONSIBLE DEVELOPMENT

Executive Utah Field Tour

17

Board Members and
Executives in Attendance



“ We feel very fortunate to
have a company like SM
working in Utah.”

State Senator Ronald M. Winterton ⁽¹⁾



Expanding Our Community Outreach in Utah

Hosted Field Tour

Welcomed **federal, state, and local officials** in
partnership with the **Utah Petroleum Association**
and **Uintah Basin Technical College** —
*showcasing operational excellence and
community collaboration.*

Performing at a High Level

UINTA BASIN SHINES

Key Metrics

2Q25

Net Production and Pricing	
Total net production (MMBoe)	19.0
Total net production (MBoe/d)	209.1
Oil / liquids percentage	55% / 68%
Pre-hedge realized price (\$/Boe)	\$41.27
Post-hedge realized price ⁽¹⁾ (\$/Boe)	\$43.36
Costs (per Boe)	
LOE	\$5.52
Transportation	\$4.13
Production and ad valorem taxes	\$2.13
Total production expenses	\$11.78
Cash production margin (pre-hedge)	\$29.49
G&A (cash)	\$1.97
G&A (non-cash)	\$0.24
DD&A	\$15.40
Earnings	
GAAP earnings (per diluted share)	\$1.76
Adjusted net income ⁽¹⁾ (per diluted share)	\$1.50
Adjusted EBITDAX ⁽¹⁾ (\$MM)	\$569.6
Adjusted Free Cash Flow ⁽¹⁾ (\$MM)	
Net cash provided by operating activities (GAAP)	\$571.1
Net change in working capital	(\$69.3)
Net cash provided by operating activities before net change in working capital⁽¹⁾	\$501.9
Capital expenditures (GAAP)	\$410.2
Changes in capital expenditure accruals	(\$22.2)
Capital expenditures before change in capital expenditure accruals⁽¹⁾	\$388.0
Adjusted free cash flow⁽¹⁾	\$113.9
Return of Capital (\$MM)	
Share repurchase	\$ -
Dividends paid	\$22.9
Return of capital	\$22.9



2Q25 NET
PRODUCTION

209.1 MBoe/d



2Q25 ADJ. EBITDAX⁽¹⁾ **\$569.6** million



2Q25 ADJ. NET
INCOME⁽¹⁾

\$1.50 per share



2Q25 ADJ.
FREE CASH FLOW⁽¹⁾

\$113.9 million

Note: Amounts may not calculate due to rounding.

(1) Indicates a non-GAAP measure or metric. Please refer to the “Non-GAAP Definitions, Reconciliations and Disclosures” section in the Appendix.

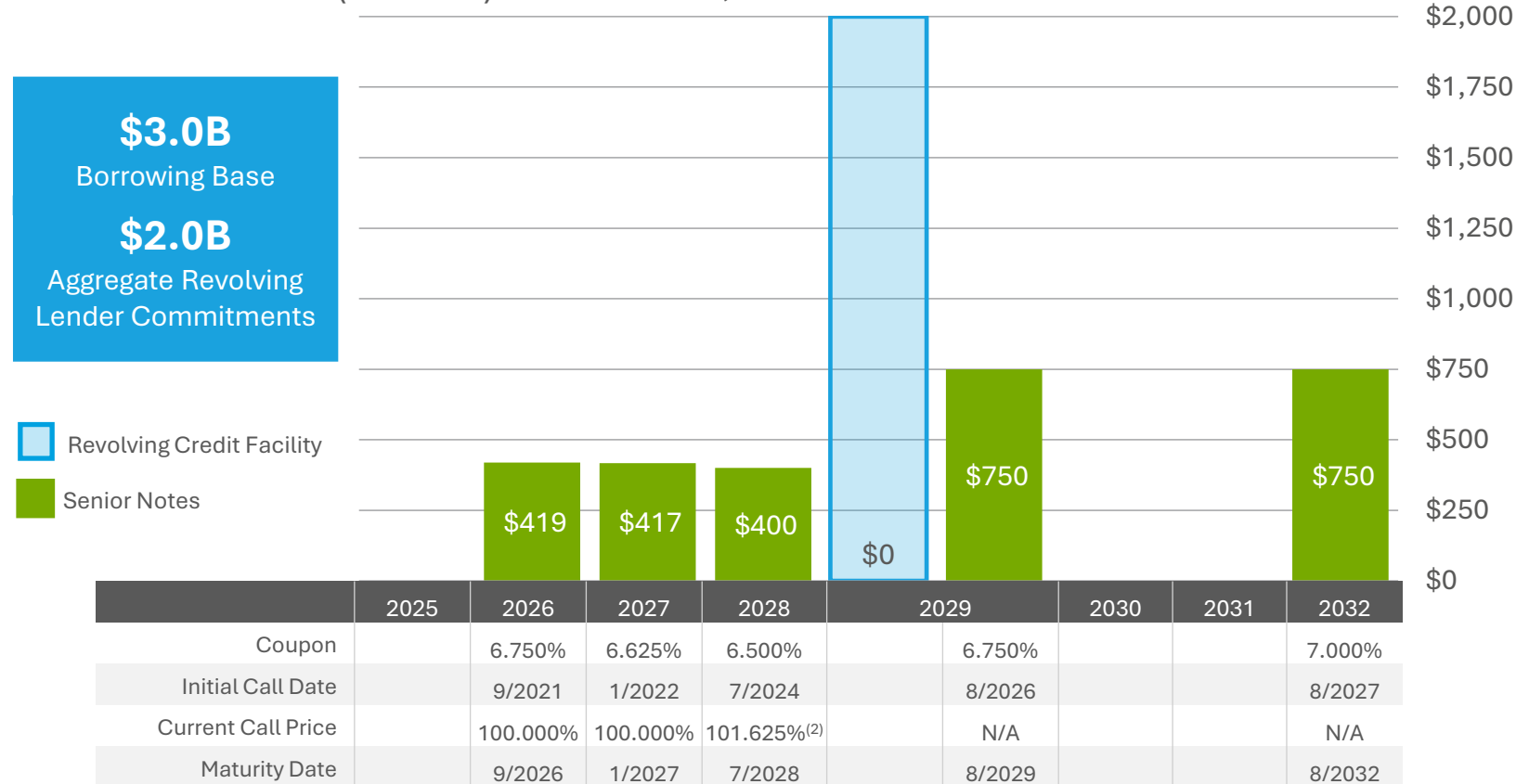
Prioritizing Debt Reduction

REDUCED NET DEBT⁽¹⁾ ~\$140MM| PROGRESSING TOWARDS 1X LEVERAGE TARGET

As of June 30,
2025

~ \$102MM
Cash

Debt Maturities (millions) as of June 30, 2025:



As of June 30, 2025:

1.2x NET DEBT-TO-
ADJUSTED EBITDAX⁽¹⁾

LIQUIDITY: \$2.1 billion

NET DEBT⁽¹⁾: \$2.6 billion

**Credit rating agency senior
unsecured debt ratings**

S&P: **BB-** Outlook: Stable

Fitch: **BB** Outlook: Stable

Moody's: **B1** Outlook: Stable

Note: Data as of June 30, 2025.

(1) Indicates a non-GAAP measure or metric. Please refer to the "Non-GAAP Definitions, Reconciliations and Disclosures" section in the Appendix. Note, Net Debt-to-Adjusted EBITDAX would be lower on a pro forma basis as the Uinta Basin Acquisition closed October 1, 2024, resulting in only three quarters of Adjusted EBITDAX contributing to the trailing twelve-month Adjusted EBITDAX used in the metric as of June 30, 2025.

(2) As of July 15, 2025.

Hedging Summary

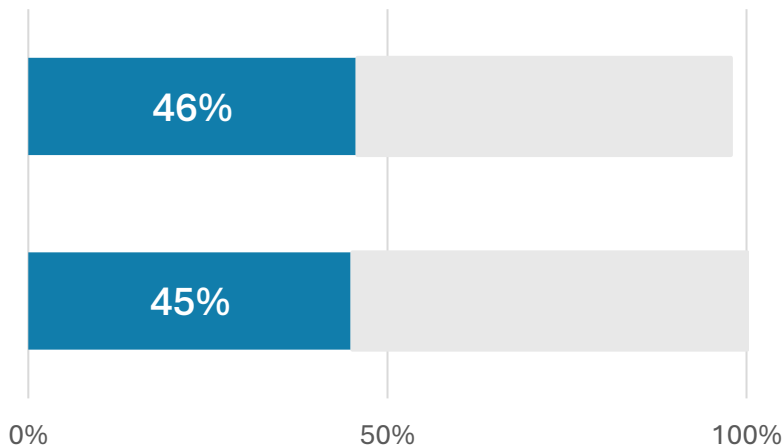
STRATEGY IS TO ALIGN HEDGING WITH LEVERAGE

3Q25 – 4Q25 SWAPS AND COLLARS:⁽¹⁾

Oil volumes hedged⁽²⁾

~9,600 MBbls of expected 3Q25-4Q25 net oil production⁽¹⁾ is hedged at a weighted-average price of

\$65.07/Bbl to \$70.42/Bbl



Gas volumes hedged⁽³⁾

~36,000 BBtu of expected 3Q25-4Q25 net natural gas production⁽¹⁾ is hedged at a weighted-average price of

\$3.67/MMBtu to \$4.31/MMBtu

Disciplined and Consistent Program

- Strategy aligned with leverage
- Management of commodity price volatility and risk
- Downside protection with two-way collars

3Q25 – 4Q25 BASIS SWAPS:

Basis Swaps

	Volumes	Price
Oil	MBbls	\$/Bbl
Midland Basin differential	~2,300	\$1.18
MEH differential	~1,100	\$1.86
Gas	BBtu	\$/MMBtu
WAHA differential	~10,200	\$(0.69)

Note: Includes derivative contracts for settlement at any time during the third quarter of 2025 and later periods, entered into through July 23, 2025.

(1) Percent of net production hedged based on 3Q25-4Q25 net production and oil percentage guidance.

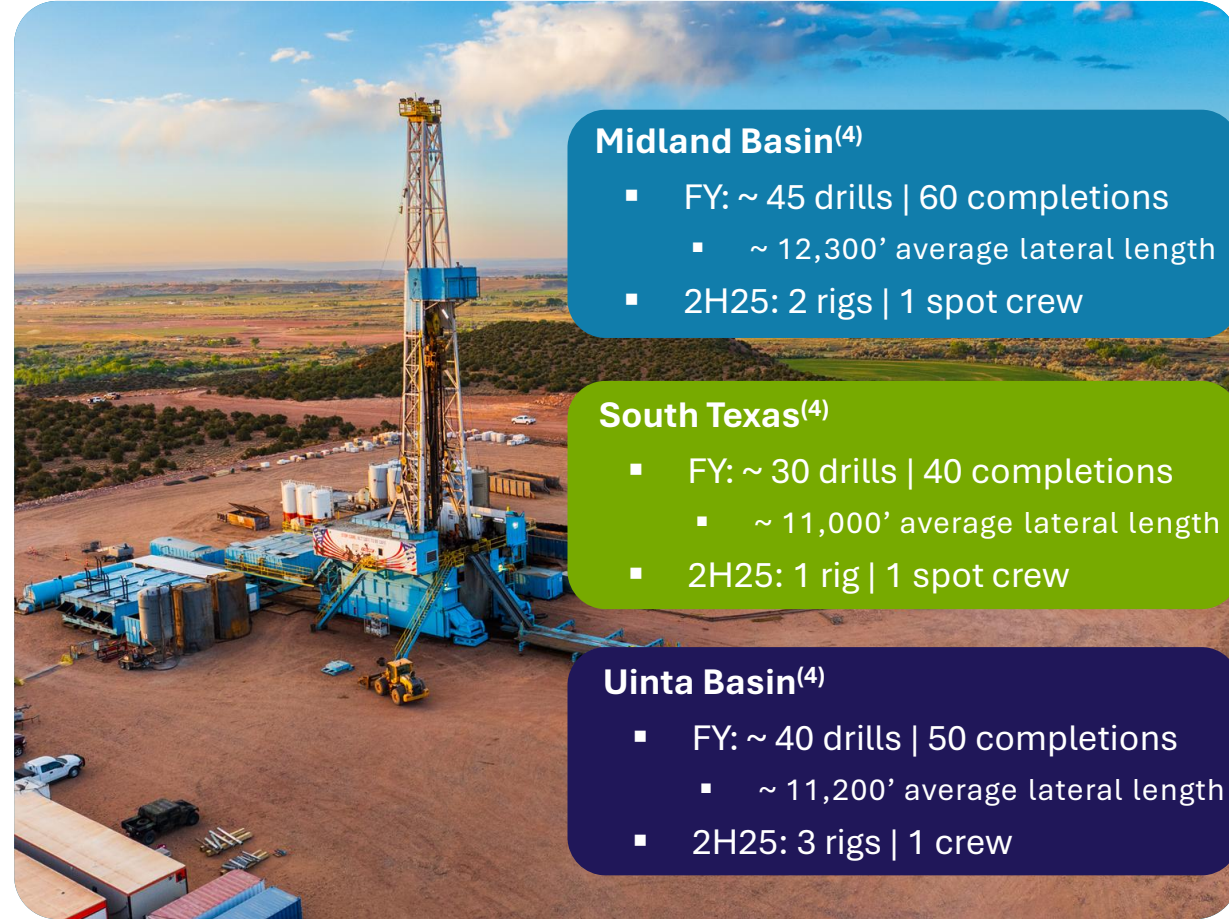
(2) Hedges include oil swaps and collars hedged to NYMEX WTI, excludes basis swaps, at a weighted-average price of \$65.07/Bbl (collar floors and swaps) to \$70.42/Bbl (collar ceiling and swaps).

(3) Hedges include natural gas swaps and collars hedged to NYMEX Henry Hub, excludes basis swaps, hedged to benchmark prices at a weighted-average price of \$3.67/MMBtu (collar floors and swaps) to \$4.31/MMBtu (collar ceilings and swaps). Percent hedged based on dry gas volumes.

Plan Intact

2025 GUIDANCE AND REGIONAL DETAILS

Key Metrics	Guidance 3Q25	Guidance FY25
Capital Expenditures ⁽¹⁾	\$300 – \$320 million	~ \$1.375 billion
Drills (net wells)	25	115
Completions (net wells)	30	150
Total Net Production (MBoe/d)	209 – 215	200 – 215
Oil Percentage	53% – 54%	53% – 54%
LOE (per Boe)		~ \$5.90
Transportation (per Boe)		\$4.10 – \$4.40
Production & Ad Valorem Taxes (per Boe) ⁽²⁾		\$2.50 – \$2.70
DD&A (per Boe)		\$16
Exploration Expense (\$MM)		\$75
G&A (\$MM) ⁽³⁾		\$160
Cash Taxes (\$MM)		\$10



Midland Basin⁽⁴⁾

- FY: ~ 45 drills | 60 completions
 - ~ 12,300' average lateral length
- 2H25: 2 rigs | 1 spot crew

South Texas⁽⁴⁾

- FY: ~ 30 drills | 40 completions
 - ~ 11,000' average lateral length
- 2H25: 1 rig | 1 spot crew

Uinta Basin⁽⁴⁾

- FY: ~ 40 drills | 50 completions
 - ~ 11,200' average lateral length
- 2H25: 3 rigs | 1 crew

(1) Indicates a non-GAAP measure or metric. Please refer to the “Non-GAAP Definitions, Reconciliations and Disclosures” section in the Appendix.

(2) Production taxes estimated at ~4.4% of pre-hedge revenue and Ad Valorem taxes estimated at ~\$0.52/Boe for FY 2025.

(3) Full year G&A guidance includes ~\$25 million non-cash costs. Included in FY25 G&A are one-time estimated expenses associated with the Uinta Basin integration of ~\$7 million.

(4) Net drills, completions and average lateral length based on operated and non-operated wells expected to be completed for full-year 2025. Average rig and completion crew activity planned for the second half of 2025.

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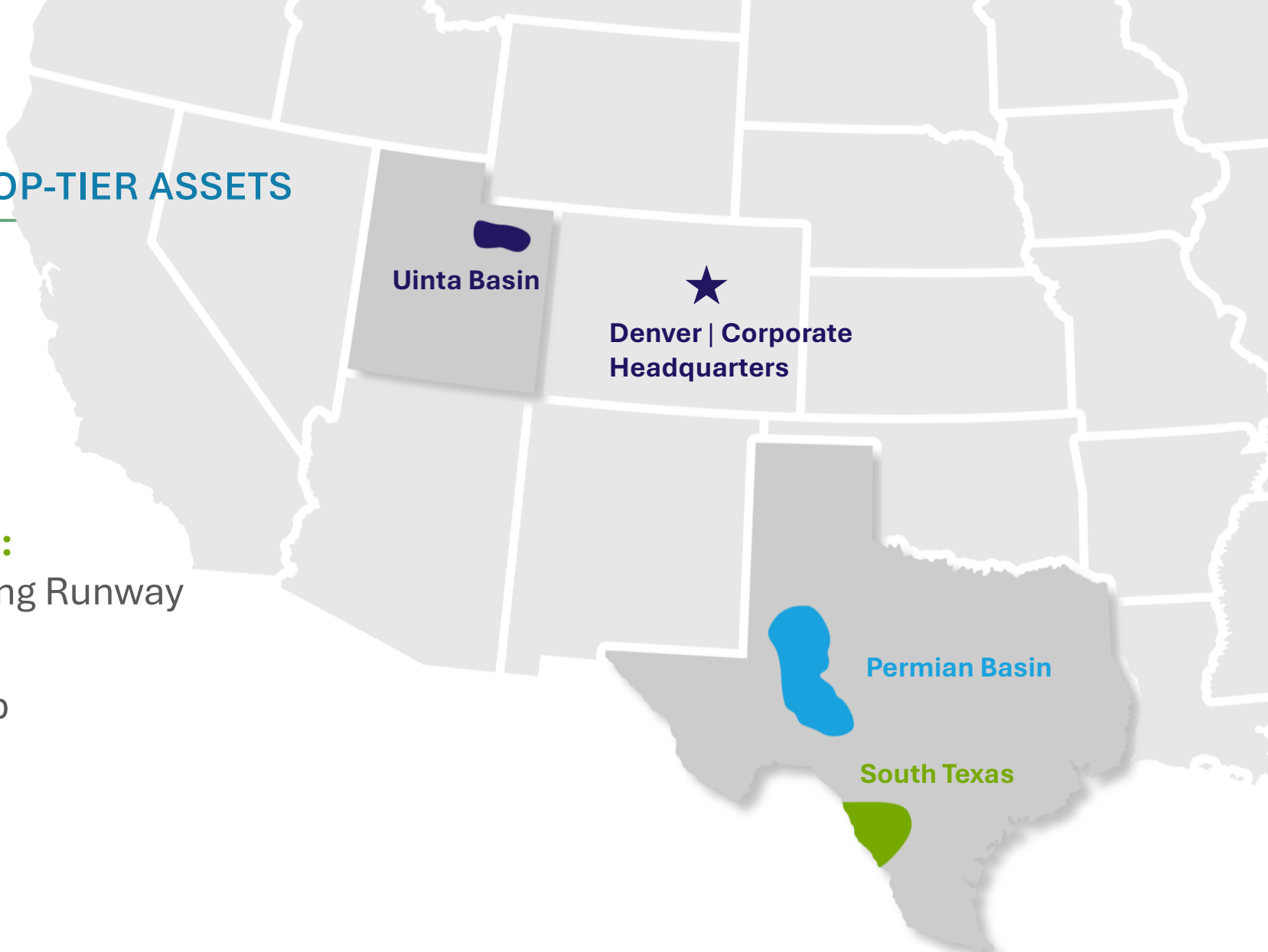
Capital Efficiency

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High-Quality Inventory with Long Runway

A LEADER:

Sustainability and Stewardship



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Expand Portfolio of
Top-Tier Inventory

Appendix



2Q25 Realizations by Region

THREE TOP TIER AREAS OF OPERATION

	Midland Basin	South Texas	Uinta Basin	Total
Net Production Volumes				
Oil (MBbls)	4,906	1,814	3,811	10,532
Gas (MMcf)	16,193	16,695	3,357	36,245
NGL (MBbls)	4	2,445	2	2,451
Total (MBoe)	7,609	7,042	4,372	19,024
% Oil	64%	26%	87%	55%
Revenue (in thousands)				
Oil	\$314,535	\$113,480	\$225,363	\$653,378
Gas	\$27,215	\$44,481	\$6,298	\$77,994
NGL	\$109	\$53,521	\$74	\$53,704
Total	\$341,859	\$211,482	\$231,735	\$785,076
Expenses (in thousands)				
Lease operating expense	\$58,491	\$23,186	\$23,324	\$105,001
Transportation costs	\$118	\$31,083	\$47,342	\$78,543
Production taxes	\$16,674	\$8,806	\$4,758	\$30,238
Ad valorem tax expense	\$5,978	\$3,185	\$1,063	\$10,226
Per Unit Metrics				
Realized sales price Oil Per Bbl	\$64.11	\$62.54	\$59.14	\$62.04
% of benchmark – WTI	101%	98%	93%	97%
Realized sales price Gas per Mcf	\$1.68	\$2.66	\$1.88	\$2.15
% of benchmark - NYMEX Henry Hub	49%	77%	55%	63%
Realized sales price NGL per Bbl	Nm	\$21.89	Nm	\$21.91
% of benchmark – OPIS	Nm	81%	Nm	81%
Realized price per Boe	\$44.93	\$30.03	\$53.00	\$41.27
Lease operating expense per Boe	\$7.69	\$3.29	\$5.33	\$5.52
Transportation cost per Boe	\$0.02	\$4.41	\$10.83	\$4.13
Production tax per Boe	\$2.19	\$1.25	\$1.09	\$1.59
Production tax as % of pre-hedge revenue	4.9%	4.2%	2.1%	3.9%
Ad Valorem tax expense per Boe	\$0.79	\$0.45	\$0.24	\$0.54
Cash production margin per Boe ⁽¹⁾	\$34.24	\$20.63	\$35.51	\$29.49

Note: Amounts may not calculate due to rounding.

(1) Cash production margin is calculated as oil, gas, and NGL revenues (before the effects of commodity derivative settlements), less operating expenses (specifically, LOE, transportation, production taxes, and ad valorem taxes). This calculation excludes derivative settlements, G&A, exploration expense, and DD&A and is reflected on a per BOE basis using net equivalent production for the period presented. Cash production margin provides management and the investment community with an understanding of the Company's recurring production margin before G&A, exploration expense, and DD&A, which is helpful to compare period-to-period and across peers.

Benchmark Pricing

NYMEX WTI Oil (\$/Bbl)	\$63.74
NYMEX Henry Hub Gas (\$/MMBtu)	\$3.44
OPIS Composite NGL (\$/Bbl)	\$26.99

Activity by Region

WELLS DRILLED, FLOWING COMPLETIONS & DUC COUNT

	Wells Drilled				Flowing Completions				DUC Count	
	2Q25		2025 YTD		2Q25		2025 YTD		As of June 30, 2025	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Midland Basin										
RockStar	5	4	21	18	20	17	25	20	15	11
Sweetie Peck	15	8	24	15	7	6	22	15	28	18
Midland Basin Total	20	12	45	33	27	23	47	35	43	29
South Texas ⁽¹⁾										
Austin Chalk	7	6	14	13	13	13	18	18	19	18
Eagle Ford & Other	-	-	3	3	3	3	3	3	12	12
South Texas Total	7	6	17	16	16	16	21	21	31	30
Uinta Basin										
Uinta Basin Total	12	9	26	19	21	17	51	41	23	16
Total	39	27	88	68	64	56	119	97	97	75

NGL Realizations

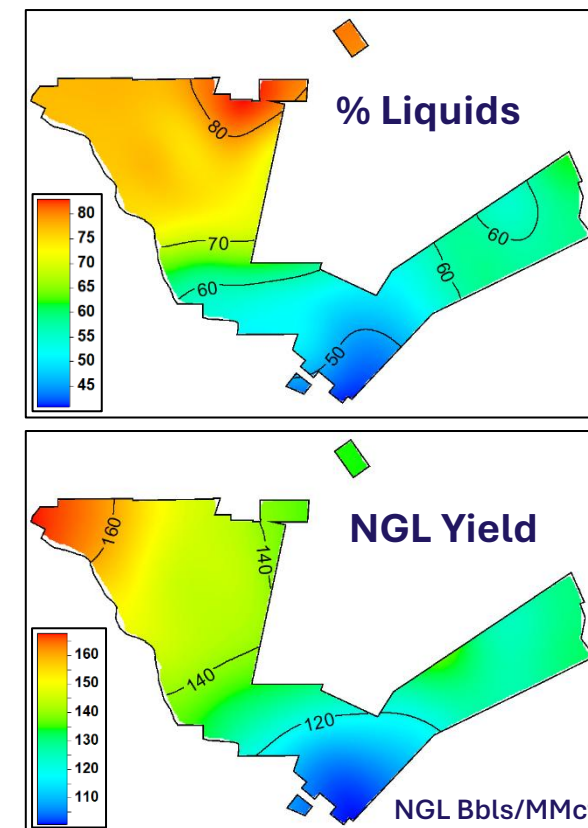
2025 PLAN ASSUMES ETHANE PROCESSING IN 3Q; REJECTING ETHANE IN 4Q

Realizations by Quarter	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024
OPIS Benchmark ⁽¹⁾ Price (\$/Bbl)	\$26.99	\$31.29	\$29.29	\$26.68	\$27.96
SM Energy NGL Realization (\$/Bbl)	\$21.91	\$25.86	\$24.49	\$21.70	\$22.86
% Differential to OPIS Benchmark ⁽¹⁾	81%	83%	84%	81%	82%

NGL price realizations tied to OPIS, fixed fee-based contracts

- Differential reflects NGL composite barrel product mix as well as transportation and fractionation fees.
- 1Q25 and 4Q24 realizations reflect the decision to reject ethane at certain gas processing plants due to better economics with strong natural gas prices; 2Q25, 3Q24, and 2Q24 realizations reflect the processing of ethane.

AUSTIN CHALK: High Liquids Content



(1) The benchmark is the OPIS NGL composite (both Mont Belvieu Purity Ethane and Non-TET).

Helpful Hints for Modeling NGLs:

Note 1: SM Energy recovered NGL Composition (assumes ethane processing): 49% Ethane, 24% Propane, 11% Natural Gasoline, 9% Normal Butane, and 7% Isobutane.

Note 2: SM Energy has completed 158 Austin Chalk wells that have reached IP30 as of July 2025. Based on wells to date, average gas shrink by area is: Northern oily area ~21%, South/Eastern liquids-rich gas area ~19%.

Leasehold Summary

THREE CORE BASINS WITH SUBSTANTIAL ACREAGE POSITIONS

Net Acres ⁽¹⁾	At June 30, 2025
Midland Basin	
RockStar	81,500
Sweetie Peck ⁽²⁾	27,500
Midland Basin total	109,000
South Texas	155,000
Uinta Basin	63,700
Rocky Mountain Other	47,500
Other Areas / Exploration	25,000
Total	400,200



Oil Derivative Positions⁽¹⁾

BY QUARTER

Oil	NYMEX WTI Oil Swaps		NYMEX WTI Oil Collars			Midland - Cushing Oil Basis Swaps		MEH – WTI Oil Basis Swaps		NYMEX WTI Roll Differential Swaps		Weighted-Average Price of Swaps and Collars	
Period	Volume (MBbls)	\$/Bbl ⁽²⁾	Volume (MBbls)	Floor \$/Bbl ⁽²⁾	Ceiling \$/Bbl ⁽²⁾	Volume (MBbls)	Price Differential \$/Bbl ⁽²⁾	Volume (MBbls)	Price Differential \$/Bbl ⁽²⁾	Volume (MBbls)	Price Differential \$/Bbl ⁽²⁾	Floor \$/Bbl ⁽³⁾	Ceiling \$/Bbl ⁽³⁾
Q3 2025	2,668	\$71.07	2,247	\$61.24	\$72.92	1,104	\$1.18	544	\$1.86	2,421	\$0.44	\$66.58	\$71.92
Q4 2025	1,988	\$67.91	2,648	\$60.13	\$69.53	1,178	\$1.18	526	\$1.86	2,420	\$0.44	\$63.47	\$68.83
Q1 2026	1,744	\$63.03	2,132	\$56.80	\$65.34	1,076	\$0.99	391	\$2.02	1,329	\$0.35	\$59.60	\$64.30
Q2 2026	1,303	\$62.04	2,213	\$55.98	\$64.32	1,045	\$0.99	400	\$2.02	-	-	\$58.23	\$63.48
Q3 2026	1,119	\$63.43	224	\$55.00	\$65.73	975	\$0.99	377	\$2.01	-	-	\$62.03	\$63.82
Q4 2026	-	-	-	-	-	949	\$0.99	378	\$2.01	-	-	-	-

(1) Includes derivative contracts for settlement at any time during the third quarter of 2025 and later periods, entered into through July 23, 2025.

(2) Weighted-average contract price.

(3) Volume weighted-average contract price for NYMEX WTI swaps and NYMEX WTI collars.

Gas and NGL Derivative Positions⁽¹⁾

BY QUARTER

Gas	NYMEX Henry Hub Gas Swaps		IF WAHA Gas Swaps		IF WAHA Gas Basis Swaps		NYMEX Henry Hub Gas Collars			IF HSC Gas Swaps		Weighted-Average Price of Swaps and Collars	
Period	Volume (BBtu)	\$/MMBtu ⁽²⁾	Volume (BBtu)	\$/MMBtu ⁽²⁾	Volume (BBtu)	\$/MMBtu ⁽²⁾	Volume (BBtu)	Floor \$/MMBtu ⁽²⁾	Ceiling \$/MMBtu ⁽²⁾	Volume (BBtu)	\$/MMBtu ⁽²⁾	Floor \$/MMBtu ⁽³⁾	Ceiling \$/MMBtu ⁽³⁾
Q3 2025	10,257	\$4.17	1,150	\$1.67	5,117	(\$0.72)	7,497	\$3.24	\$4.12	-	-	\$3.65	\$4.00
Q4 2025	8,015	\$4.37	1,134	\$2.02	5,046	(\$0.66)	7,982	\$3.25	\$5.31	-	-	\$3.69	\$4.65
Q1 2026	5,724	\$4.41	3,461	\$2.93	574	(\$1.75)	6,743	\$3.65	\$6.15	957	\$4.07	\$3.78	\$4.78
Q2 2026	8,591	\$3.53	2,232	\$1.21	-	-	3,398	\$3.25	\$3.55	-	-	\$3.10	\$3.17
Q3 2026	9,639	\$3.87	3,813	\$2.35	-	-	3,505	\$3.25	\$4.21	-	-	\$3.40	\$3.60
Q4 2026	4,508	\$4.20	514	\$3.22	-	-	8,952	\$3.56	\$5.34	-	-	\$3.75	\$4.89
Q1 2027	7,888	\$4.34	4,094	\$3.63	509	(\$0.67)	896	\$4.00	\$5.60	-	-	\$4.09	\$4.20
Q2 2027	-	-	-	-	-	-	-	-	-	-	-	-	-
Q3 2027	-	-	-	-	499	(\$0.75)	-	-	-	-	-	-	-

NGLs Purity Ethane Swaps

Period	Volume (MBbls)	\$/Bbl ⁽²⁾
Q3 2025	-	-
Q4 2025	123	\$13.07
Q1 2026	259	\$12.57
Q2 2026	137	\$11.71
Q3 2026	137	\$11.71
Q4 2026	141	\$11.71

(1) Includes derivative contracts for settlement at any time during the third quarter of 2025 and later periods, entered into through July 23, 2025.

(2) Weighted-average contract price.

(3) Volume weighted-average contract price for NYMEX Henry Hub swaps and collars, IF WAHA swaps and IF HSC swaps.

Sustainable Return of Capital Program

SUSTAINABLE FIXED DIVIDEND | 10.1 MILLION SHARES REPURCHASED⁽¹⁾



Annual **Dividend Increased** from

\$0.02 to **\$0.80**

per share⁽²⁾



Cumulative **Capital Returned** to Stockholders⁽¹⁾

\$589.9 million



Stock **Repurchase Authorization**⁽²⁾

\$500 million

through 2027



% **FCF**⁽³⁾ **Returned** to Stockholders⁽¹⁾

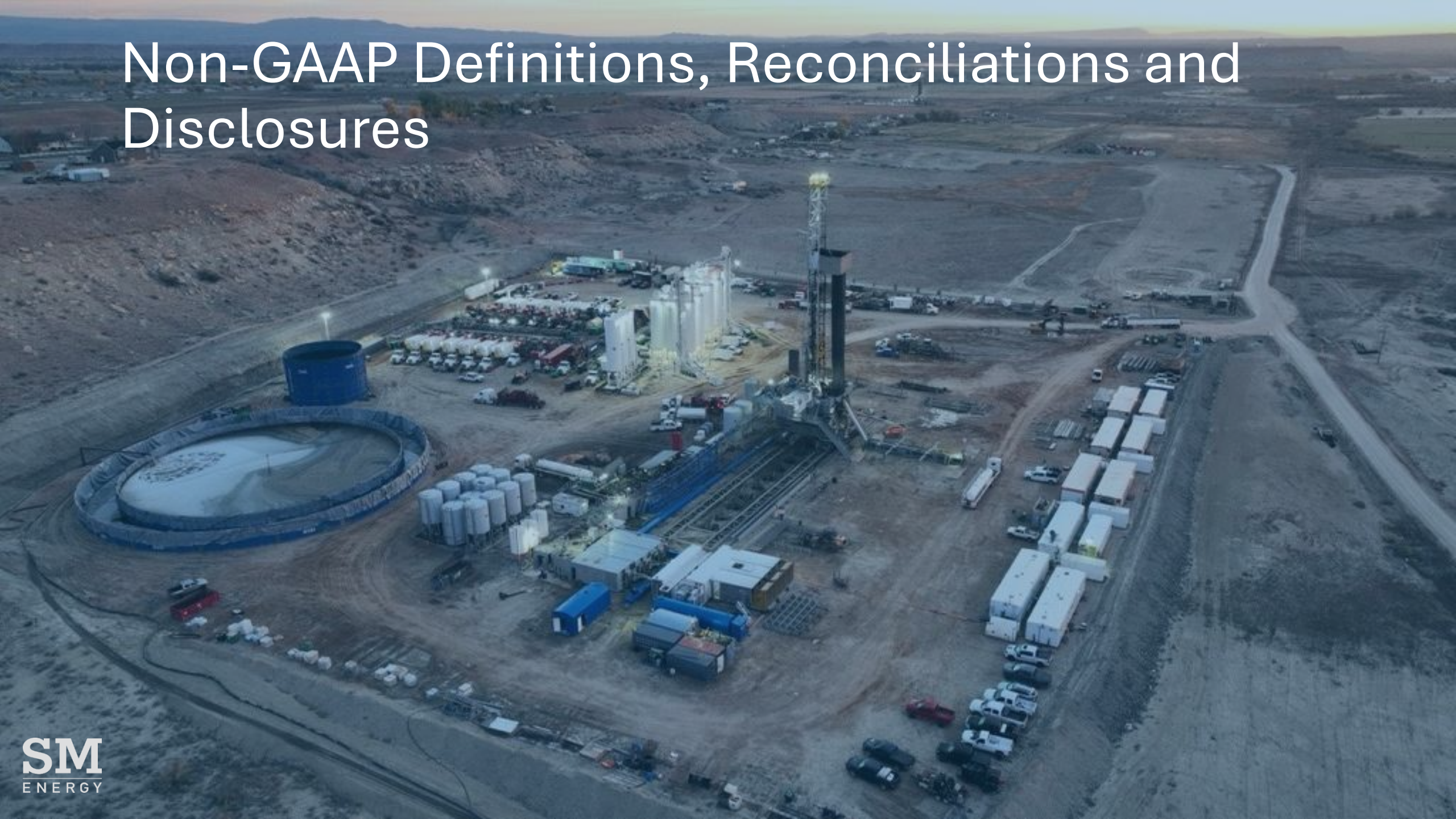
40+%

(1) Cumulative program-to-date as of June 30, 2025. The return of capital program was announced on September 7, 2022, and all repurchased shares of common stock were retired. Total capital returned to stockholders includes \$369.1 million of shares repurchased and \$220.8 million in dividends paid. Amounts spent to repurchase shares of stock exclude excise taxes, commissions, and fees.

(2) At the time of the return of capital program announcement on September 7, 2022, the fixed semi-annual dividend of \$0.01 was changed to a quarterly dividend of \$0.15 per share and was subsequently increased to \$0.18 per share in 2023. In June 2024, the Board approved an increase in SM Energy's fixed quarterly dividend policy to \$0.20 per share, which commenced in the 4th quarter of 2024, reloaded the existing stock repurchase program in the amount of \$500 million, and extended the program through December 31, 2027.

(3) Indicates a non-GAAP measure or metric. Please refer to the "Non-GAAP Reconciliations and Disclosures" section in the Appendix.

Non-GAAP Definitions, Reconciliations and Disclosures



Definitions of Non-GAAP Measures and Metrics as Calculated by the Company

To supplement the presentation of its financial results prepared in accordance with U.S. generally accepted accounting principles (GAAP), the Company provides certain non-GAAP measures and metrics, which are used by management and the investment community to assess the Company's financial condition, results of operations, and cash flows, as well as compare performance from period to period and across the Company's peer group. The Company believes these measures and metrics are widely used by the investment community, including investors, research analysts and others, to evaluate and compare recurring financial results among upstream oil and gas companies in making investment decisions or recommendations. These measures and metrics, as presented, may have differing calculations among companies and investment professionals and may not be directly comparable to the same measures and metrics provided by others. A non-GAAP measure should not be considered in isolation or as a substitute for the most directly comparable GAAP measure or any other measure of a company's financial or operating performance presented in accordance with GAAP. Reconciliations of the Company's non-GAAP measures to the most directly comparable GAAP measure is presented below. These measures may not be comparable to similarly titled measures of other companies.

Adjusted EBITDAX: Adjusted EBITDAX is calculated as net income before interest expense, interest income, income taxes, depletion, depreciation, amortization and asset retirement obligation liability accretion expense, exploration expense, property abandonment and impairment expense, non-cash stock-based compensation expense, derivative gains and losses net of settlements, gains and losses on divestitures, gains and losses on extinguishment of debt, and certain other items. Adjusted EBITDAX excludes certain items that the Company believes affect the comparability of operating results and can exclude items that are generally non-recurring in nature or whose timing and/or amount cannot be reasonably estimated. Adjusted EBITDAX is a non-GAAP measure that the Company believes provides useful additional information to investors and analysts, as a performance measure, for analysis of the Company's ability to internally generate funds for exploration, development, acquisitions, and to service debt. The Company is also subject to financial covenants under the Company's Credit Agreement, a material source of liquidity for the Company, based on Adjusted EBITDAX ratios. Please reference the Company's second quarter 2025 Form 10-Q and the most recent Annual Report on Form 10-K for discussion of the Credit Agreement and its covenants.

Adjusted free cash flow or FCF: Adjusted free cash flow is calculated as net cash provided by operating activities before net change in working capital less capital expenditures before changes in accruals. The Company uses this measure as representative of the cash from operations, in excess of capital expenditures that provides liquidity to fund discretionary obligations such as debt reduction, returning cash to stockholders or expanding the business.

Adjusted net income and Adjusted net income per diluted common share or Adjusted EPS: Adjusted net income and Adjusted net income per diluted common share excludes certain items that the Company believes affect the comparability of operating results, including items that are generally non-recurring in nature or whose timing and/or amount cannot be reasonably estimated. These items include non-cash and other adjustments, such as derivative gains and losses net of settlements, impairments, net (gain) loss on divestiture activity, gains and losses on extinguishment of debt, and accruals for non-recurring matters. The Company uses these measures to evaluate the comparability of the Company's ongoing operational results and trends and believes these measures provide useful information to investors for analysis of the Company's fundamental business on a recurring basis.

Net debt: Net debt is calculated as the total principal amount of outstanding senior notes plus amounts drawn on the revolving credit facility less cash and cash equivalents (also referred to as total funded debt). The Company uses net debt as a measure of financial position and believes this measure provides useful additional information to investors to evaluate the Company's capital structure and financial leverage.

Net debt-to-Adjusted EBITDAX: Net debt-to-Adjusted EBITDAX is calculated as Net Debt (defined above) divided by Adjusted EBITDAX (defined above) for the trailing twelve-month period (also referred to as leverage ratio). A variation of this calculation is a financial covenant under the Company's Credit Agreement. The Company and the investment community may use this metric in understanding the Company's ability to service its debt and identify trends in its leverage position. The Company reconciles the two non-GAAP measure components of this calculation.

Post-hedge: Post-hedge is calculated as the average realized price after the effects of commodity net derivative settlements. The Company believes this metric is useful to management and the investment community to understand the effects of commodity net derivative settlements on average realized price.

Non-GAAP Reconciliations

Adjusted EBITDAX⁽¹⁾

(in thousands, except per share data)

	Three Months Ended June 30, 2025	Trailing Twelve Months Ended June 30, 2025
Net income (GAAP)	\$ 201,665	\$ 812,735
Interest expense	42,561	183,913
Interest income	(182)	(19,095)
Income tax expense	50,837	210,840
Depletion, depreciation, and amortization	292,990	1,026,356
Exploration ⁽²⁾	14,107	50,062
Stock-based compensation expense	5,751	27,055
Net derivative gain	(78,308)	(127,077)
Net derivative settlement gain	39,745	86,415
Other, net	409	(438)
Adjusted EBITDAX (non-GAAP)	\$ 569,575	\$ 2,250,766
Interest expense	(42,561)	(183,913)
Interest income	182	19,095
Income tax expense	(50,837)	(210,840)
Exploration ⁽²⁾⁽³⁾	(13,868)	(49,632)
Amortization of deferred financing costs	2,552	9,815
Deferred income taxes	43,204	173,542
Other, net	(6,369)	(20,955)
Net change in working capital	69,265	96,382
Net cash provided by operating activities (GAAP)	\$ 571,143	\$ 2,084,260

Adjusted Net Income⁽¹⁾

(in thousands, except per share data)

	Three Months Ended June 30, 2025
Net income (GAAP)	\$ 201,665
Net derivative gain	(78,308)
Net derivative settlement gain	39,745
Other, net	409
Tax effect of adjustments ⁽⁴⁾	8,432
Adjusted net income (non-GAAP)	\$ 171,943
Diluted net income per common share (GAAP)	\$ 1.76
Net derivative gain	(0.68)
Net derivative settlement gain	0.35
Other, net	—
Tax effect of adjustments ⁽⁴⁾	0.07
Adjusted net income per diluted common share (non-GAAP)	\$ 1.50
Basic weighted-average common shares outstanding	114,520
Diluted weighted-average common shares outstanding	114,788

(1) Indicates a non-GAAP measure. See above “Definitions of non-GAAP measures and metrics as Calculated by the Company.”

(2) Stock-based compensation expense is a component of the exploration expense and general and administrative expense line items on the unaudited condensed consolidated statements of operations. Therefore, the exploration line items shown in the reconciliation above will vary from the amount shown on the unaudited condensed consolidated statements of operations for the component of stock-based compensation expense recorded to exploration expense.

(3) For the trailing twelve months ended June 30, 2025, amount excludes certain capital expenditures related to unsuccessful exploration activities.

(4) The tax effect of adjustments for the three months ended June 30, 2025, was calculated using a tax rate of 22.1%. This rate approximates the Company’s statutory tax rate adjusted for the period, as adjusted for ordinary permanent differences.

Non-GAAP Reconciliations, *continued*

Adjusted Free Cash Flow⁽¹⁾

(in thousands)

	Three Months Ended June 30, 2025	Six Months Ended June 30, 2025
Net cash provided by operating activities (GAAP)	\$ 571,143	\$ 1,054,128
Net change in working capital	(69,265)	(37,701)
Cash flow from operations before net change in working capital (non-GAAP)	\$ 501,878	\$ 1,016,427
Capital expenditures (GAAP)	\$ 410,175	\$ 824,043
Changes in capital expenditure accruals	(22,197)	4,734
Capital expenditures before changes in accruals (non-GAAP)	\$ 387,978	\$ 828,777
Adjusted free cash flow (non-GAAP)	\$ 113,900	\$ 187,650

Adjusted Net Debt⁽¹⁾

(in thousands, except per share data)

	As of June 30, 2025
Principal amount of Senior Notes ⁽²⁾	\$ 2,736,026
Revolving credit facility ⁽²⁾	—
Total principal amount of debt (GAAP)	\$ 2,736,026
Less: Cash and cash equivalents	101,877
Net Debt (non-GAAP)	\$ 2,634,149

(1) Indicates a non-GAAP measure. See above “Definitions of non-GAAP measures and metrics as Calculated by the Company.”

(2) Amounts as of June 30, 2025, are from Note 5 – Long-Term Debt in Part I, Item 1 of the Company’s Form 10-Q.

Contact Information

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