



First Quarter 2025 Earnings Presentation

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Disclaimer

FORWARD LOOKING STATEMENTS

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NON-GAAP FINANCIAL MEASURES

This presentation includes non-GAAP financial measures, including adjusted net income, free cash flow, adjusted EBITDAX, adjusted cash operating costs, adjusted cash operating margin and return on capital employed. Magnolia believes these metrics are useful because they allow Magnolia to more effectively evaluate its operating performance and compare the results of its operations from period to period and against its peers without regard to accounting methods or capital structure. Magnolia does not consider these non-GAAP measures in isolation or as an alternative to similar financial measures determined in accordance with GAAP. The computations of these non-GAAP measures may not be comparable to other similarly titled measures of other companies.

Adjusted net income and adjusted EBITDAX should not be considered an alternative to, or more meaningful than, net income as determined in accordance with GAAP. Certain items excluded from free cash flow, adjusted net income, adjusted EBITDAX, adjusted cash operating costs, adjusted cash operating margin, adjusted operating margin and return on capital employed are significant components in understanding and assessing a company's financial performance and should not be construed as an inference that its results will be unaffected by unusual or non-recurring terms.

As performance measures, adjusted net income, adjusted EBITDAX, adjusted cash operating costs, adjusted cash operating margin and return on capital employed may be useful to investors in facilitating comparisons to others in the Company's industry because certain items can vary substantially in the oil and gas industry from company to company depending upon accounting methods, book value of assets, and capital structure, among other factors. Management believes excluding these items facilitates investors and analysts in evaluating and comparing the underlying operating and financial performance of our business from period to period by eliminating differences caused by the existence and timing of certain expense and income items that would not otherwise be apparent on a GAAP basis. As a liquidity measure, management believes free cash flow is useful for investors and widely accepted by those following the oil and gas industry as financial indicators of a company's ability to generate cash to internally fund drilling and completion activities, fund acquisitions, and service debt. Our presentation of adjusted net income, adjusted EBITDAX, free cash flow, adjusted cash operating costs, adjusted cash operating margin and return on capital employed may not be comparable to similar measures of other companies in our industry. A free cash flow reconciliation is shown on page 16, adjusted EBITDAX reconciliation is shown on page 17, adjusted net income is shown on page 18, adjusted cash operating costs and adjusted cash operating margin reconciliations are shown on page 10 and ROCE is shown on page 20 of the presentation.

INDUSTRY AND MARKET DATA

This presentation has been prepared by Magnolia and includes market data and other statistical information from sources believed by Magnolia to be reliable, including independent industry publications, governmental publications or other published independent sources. Some data is also based on the good faith estimates of Magnolia, which are derived from its review of internal sources as well as the independent sources described above. Although Magnolia believes these sources are reliable, it has not independently verified the information and cannot guarantee its accuracy and completeness.

First Quarter Highlights & Announcements

Financial



Total adjusted net income of \$106 mm and operating income margin of 39%

Adjusted EBITDAX of \$248 mm with a 53% capital reinvestment rate

D&C capital of \$130 mm and free cash flow (FCF) of \$111 mm

Q1 2025 Annualized Return on Capital Employed (ROCE) of 23%

Operations



Q1 2025 total production of 96.5 Mboe/d exceeding our guidance (14% YoY growth) and oil production of 39.1 Mbbls/d (4% YoY growth)

Giddings YoY total production growth of 25% and oil production growth of 17% YoY

Stronger than expected well performance and productivity, and shallower declines from recent multi-well pads in a newer area of Giddings

Corporate



Increasing full-year 2025 production growth guidance to 7% - 9%, from 5% - 7% due to stronger well performance

Lowering full-year 2025 capex guidance to \$430 - \$470 mm from \$460 - \$490 mm, or a little more than 5%

Returned ~\$82 mm to shareholders (74% of FCF) during Q1, incl. ~\$52 mm of share repurchases and dividends of ~\$30 mm

Continuing to execute a differentiated and investable E&P business model focused on compounding per share value

Magnolia's Consistent Business Model

High Quality Assets Drive Low Capital Reinvestment Rate that Grows the Business

Limit Capital Spending to 55% of Annual Adjusted EBITDAX

Return Substantial Portion of Our Free Cash Flow to Shareholders and Allocate Some Excess Cash Toward Small, Bolt-on Acquisitions that Improve the Business

Long-term dividend per share compound annual growth rate of ~10% and share repurchases of at least 1% per quarter



Deliver Mid-Single Digit Long-Term Production Growth with Significant Free Cash Flow

2025 BOE Growth of 7% - 9%

Maintain Conservative Financial Leverage to Provide Financial Flexibility Through Cycle

Strong balance sheet, with minimal net debt, provides ability for counter cyclical investing to increase per share value

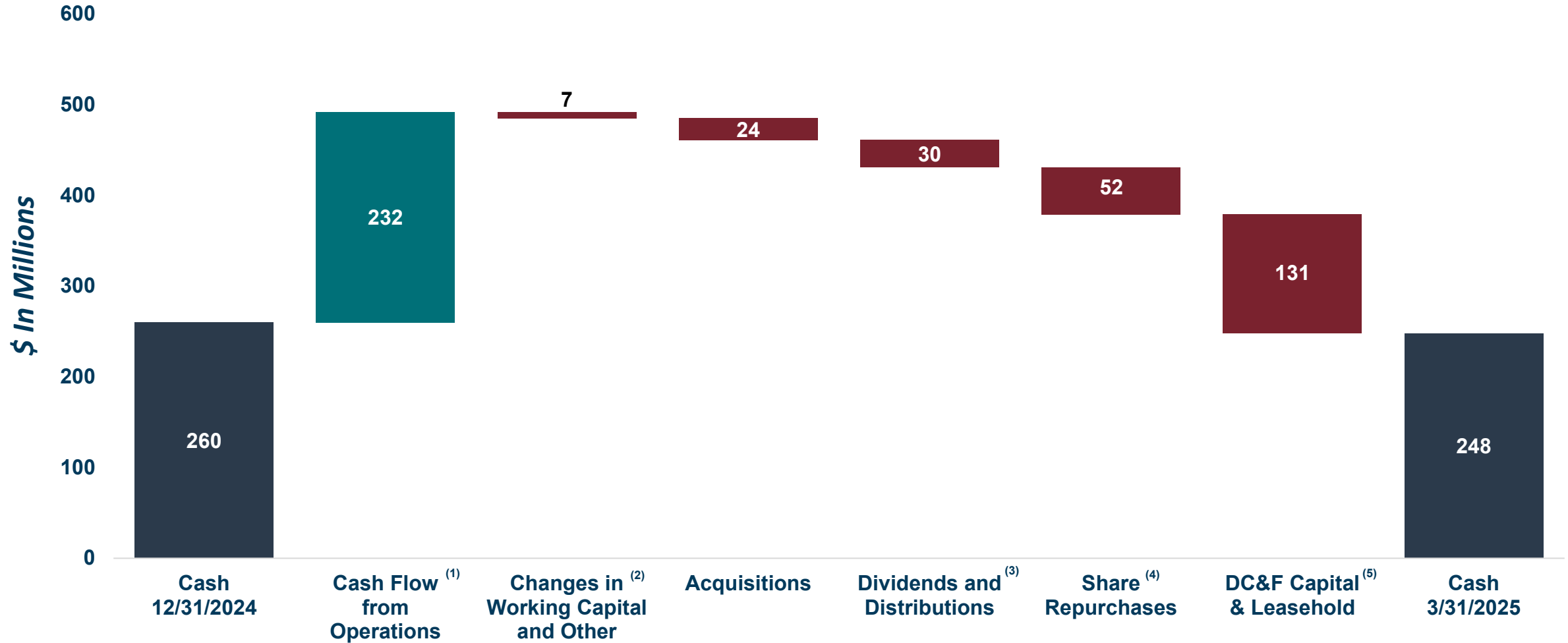
Key First Quarter 2025 Financial Metrics

Metric	Q1 2025	YoY % Change
Total Production (Mboe/d)	96.5	14%
Oil Production (Mbbbls/d)	39.1	4%
Revenue (\$ MM)	\$350	10%
Adjusted EBITDAX (\$ MM)	\$248	9%
Adjusted Net Income (\$ MM)	\$106	5%
D&C Capex (\$ MM)	\$130	10%
D&C Capital % of Adjusted EBITDAX	53%	1%
Return on Capital Employed (ROCE) ⁽¹⁾	23%	1%
Free Cash Flow (\$ MM)	\$111	(6%)
Cash Balance (\$ MM)	\$248	(38%)
Diluted Weighted Average Shares Outstanding (MM) ⁽²⁾	194.2	(5%)

(1) Q1 2025 ROCE annualized.

(2) Weighted average total shares outstanding include diluted weighted average shares of Class A Common Stock outstanding during the period and shares of Class B Common Stock, which are anti-dilutive in the calculation of weighted average number of common shares outstanding.

Q1 2025 Cash Flow Reconciliation



(1) Cash flow from operations before changes in working capital.

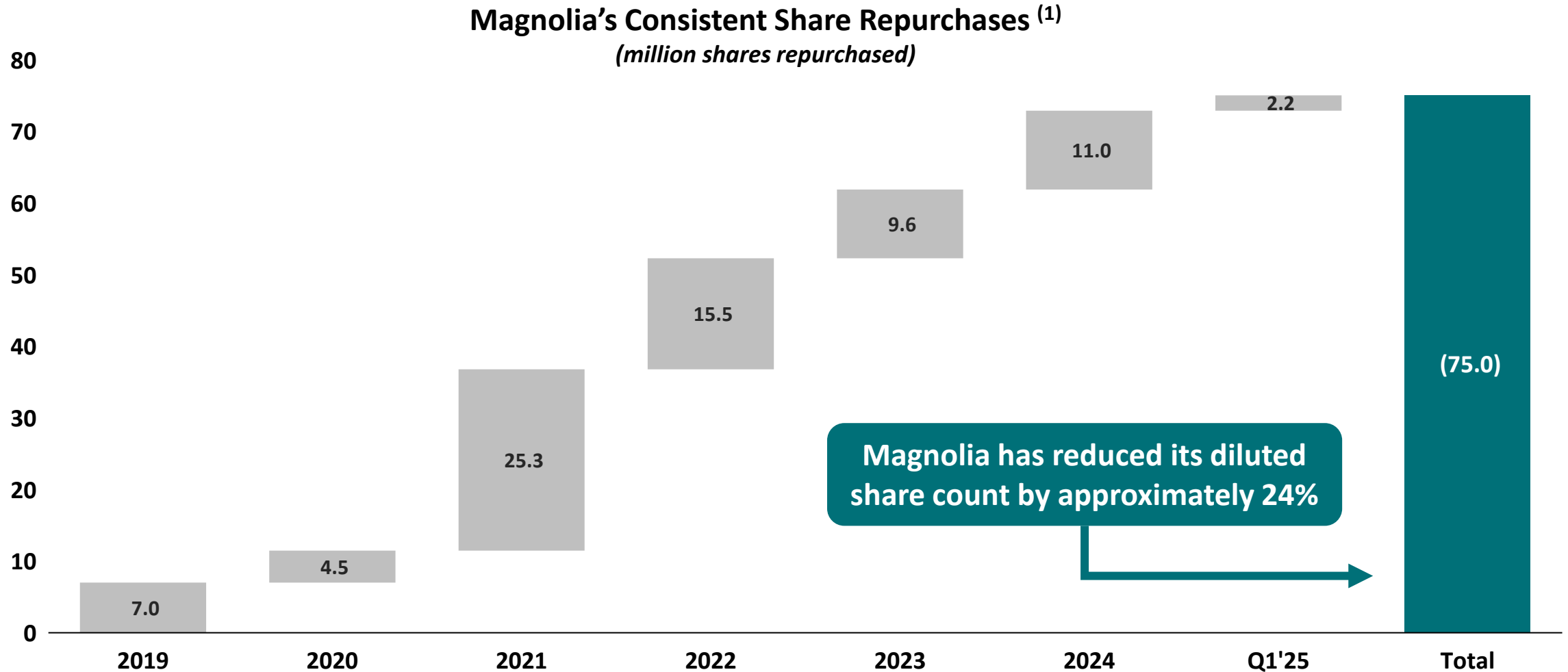
(2) Comprised of \$8 million in other investing and financing activities offset by \$1 million from working capital changes including capital accruals.

(3) Includes \$29 million of dividends paid to Class A shareholders and \$1 million of distributions to noncontrolling interest holders.

(4) Comprised of \$52 million Class A Common Stock repurchases.

(5) Incurred D&C and Leasehold Capital of \$131 million.

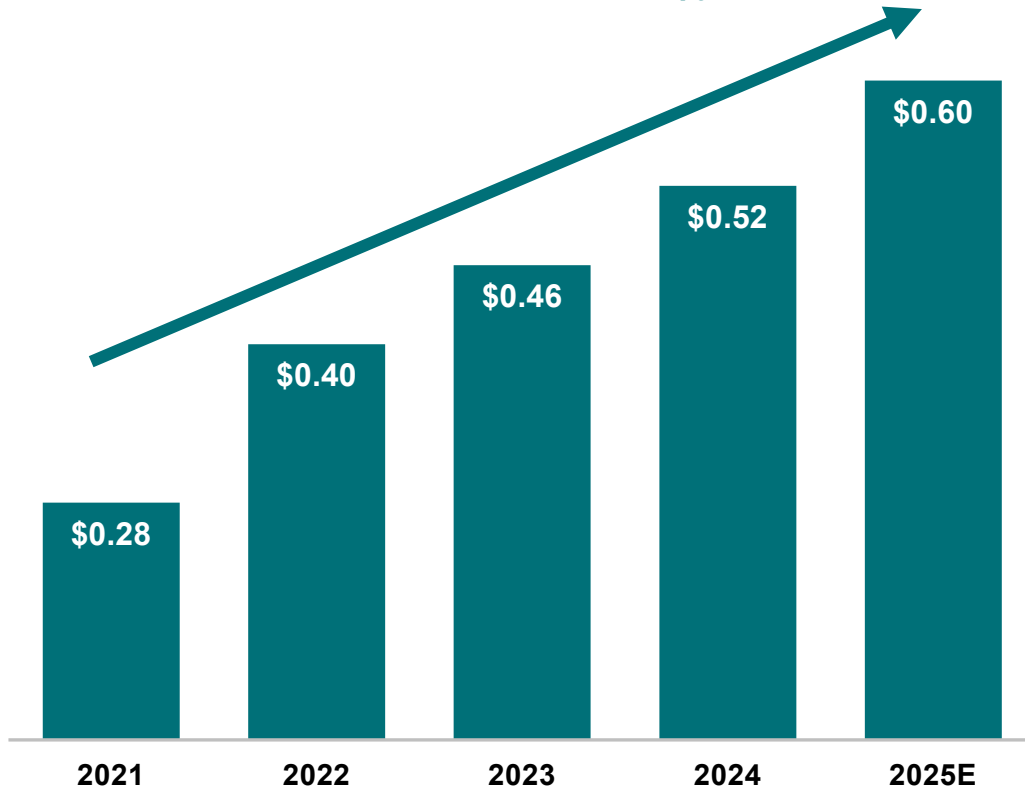
History of Significant & Consistent Share Repurchases



(1) Class A share reduction includes 3.6 million non-compete shares that were paid in lieu of stock in 2021. Includes both Class A and Class B share repurchases.

Track Record of a Safe, Sustainable and Growing Dividend

Dividend Payout Per Share
CAGR Has Exceeded 16%



- ❑ Magnolia's dividend has grown at a double-digit rate over the past 4 years
- ❑ Sustainable dividend growth supported even at lower product prices
- ❑ Dividend per share payout capacity is enhanced by moderate production growth and ongoing share repurchases, leading to higher than peer average dividend growth
- ❑ Target long-term average annual dividend growth of ~10% through commodity cycles

Summary Balance Sheet

<i>(in thousands)</i>	March 31, 2025	December 31, 2024
Cash and cash equivalents	\$247,558	\$260,049
Other current assets	159,417	150,775
Property, plant and equipment, net	2,356,122	2,306,034
Other assets	105,517	103,977
Total assets	\$2,868,614	\$2,820,835
Current liabilities	\$305,117	\$290,261
Long-term debt, net	392,700	392,513
Other long-term liabilities	181,473	170,735
Total equity	1,989,324	1,967,326
Total liabilities and equity	\$2,868,614	\$2,820,835

Margins and Cost Structure

<i>\$ / Boe, unless otherwise noted</i>	<i>For the Quarters Ended</i>	
	<i>March 31, 2025</i>	<i>March 31, 2024</i>
Revenue	\$40.31	\$41.40
Total Cash Operating Costs:		
Lease Operating Expenses ⁽¹⁾	(5.34)	(5.91)
Gathering, Transportation & Processing	(1.72)	(1.11)
Taxes Other Than Income	(2.31)	(2.32)
Exploration Expenses ⁽²⁾	(0.03)	-
General & Administrative Expenses ⁽³⁾	(2.34)	(2.52)
Total Adjusted Cash Operating Costs	(11.74)	(11.86)
Adjusted Cash Operating Margin	\$28.57	\$29.54
Margin %	71%	71%
Non-Cash Costs:		
Depreciation, Depletion, and Amortization	(12.18)	(12.58)
Asset Retirement Obligations Accretion	(0.18)	(0.21)
Non-Cash Stock Based Compensation	(0.57)	(0.60)
Non-Cash Exploration Expenses	(0.01)	-
Total Non-Cash Costs	(12.94)	(13.39)
Operating Income Margin	\$15.63	\$16.15
Margin %	39%	39%

(1) Lease operating expenses exclude non-cash stock-based compensation of \$0.7 million, or \$0.08 per boe, and \$0.6 million, or \$0.07 per boe, for the quarters ended March 31, 2025 and 2024, respectively.

(2) Exploration expenses exclude non-cash exploration activity of \$0.1 million, or \$0.01 per boe for the quarter ended March 31, 2025.

(3) General and administrative expenses exclude non-cash stock-based compensation of \$4.3 million, or \$0.49 per boe, and \$4.1 million, or \$0.53 per boe, for the quarters ended March 31, 2025 and 2024, respectively.

2025 Operating Plan & Guidance

2025E Production & Capital

Production Growth

YoY 2025 Total Growth Increased to 7% - 9%
from 5% - 7%

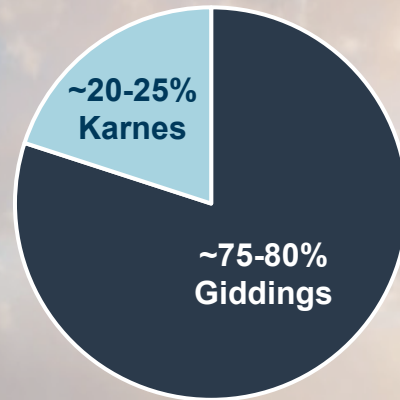
D&C Capital

FY 2025 Capital Reduced by a little more than 5% to \$430 - \$470 mm from \$460 - \$490 mm

2025 Operating Plan

~2 Rigs / ~1 Completion Crew

2025E Capital



Second Quarter 2025 Guidance

Production

~97 Mboe/d

D&C Capital Spending

~\$110 Million

Oil Differential (To Magellan East Houston)

(\$3) Bbl

Fully Diluted Share Count

~193 million

Summary Investment Highlights



High Quality Assets Positioned for Success

- ❑ Leading position in the Giddings area with low capital reinvestment rate, low breakevens and substantial running room
- ❑ Coveted position in the Karnes area in the core of the Eagle Ford



Positive Free Cash Flow and Industry Leading Margins

- ❑ Generate consistent, ongoing annual free cash flow and since Magnolia's inception
- ❑ Strong margins through the commodity cycle



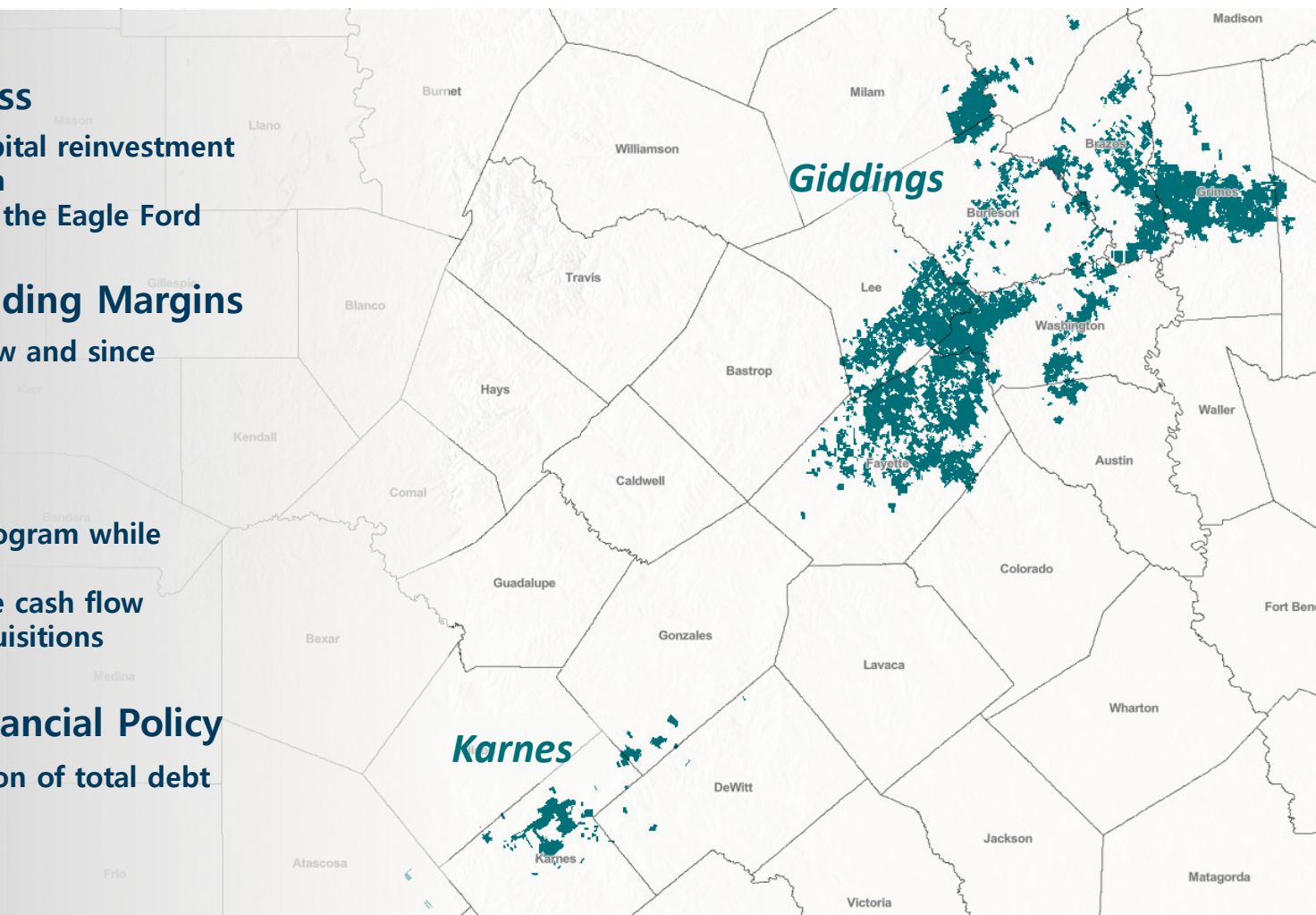
Multiple Levers of Growth

- ❑ Steady organic growth through proven drilling program while remaining well within cash flow
- ❑ Clean balance sheet with low debt and strong free cash flow enables Magnolia to pursue accretive bolt-on acquisitions



Strong Balance Sheet & Conservative Financial Policy

- ❑ Conservative leverage profile with only \$400 million of total debt outstanding and \$152 million of net debt
- ❑ Substantial liquidity of \$698 million¹



(1) Liquidity defined as cash plus availability under revolving credit facility as of 3/31/2025.

Appendix

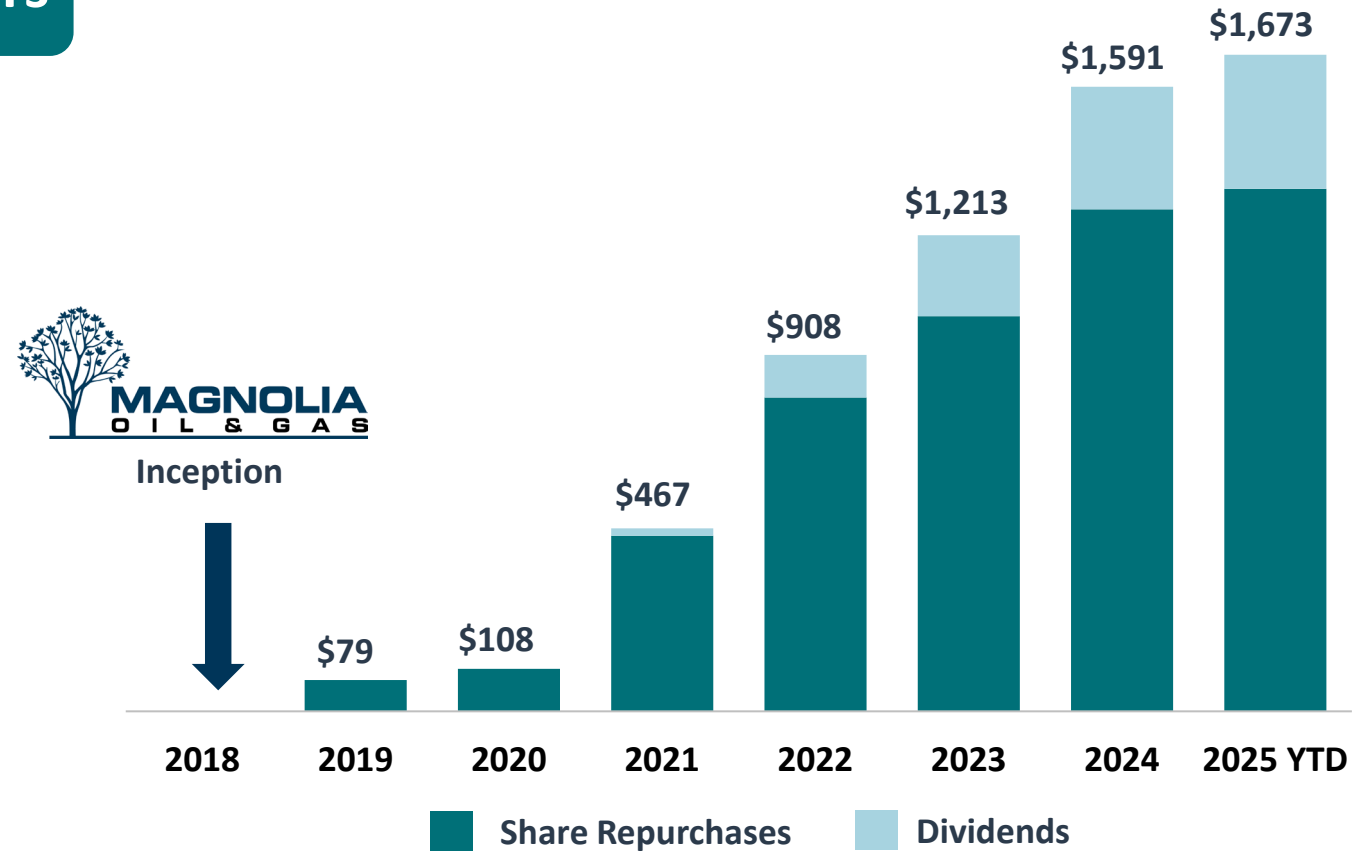


Consistent & Sizable Cash Return to Shareholders

~\$1.7 Billion Returned to Shareholders


- ❑ Magnolia has a strong track record of returning capital to shareholders
- ❑ Returned >40% of current market cap over prior seven years
- ❑ Focus on compounding per share value through share count reduction and safe, sustainable dividend growth


Cumulative Return of Capital (\$MM)




Magnolia's Commitment to Sustainability

Safeguarding the Environment

86% 
REDUCTION
Flaring Intensity Rate
2019 to 2023

12% 
REDUCTION
GHG Intensity Rate
2019 to 2023

35% 
REDUCTION
Hydrocarbon Spill Volume
2019 to 2023

Supporting Employees and Communities


29% 
DIVERSITY
Minority representation
among all employees


1,000
SHARES
Minimum received by
all employees





2024
TOP WORKPLACES
Placed tenth among
mid-sized companies

Governing with Integrity

88% 
INDEPENDENT
7 of 8 Board members
are independent

25% 
FEMALE
2 of 8 Board members
are women

25% 
DIVERSITY
2 of 8 Board members
identify as minorities

50% 
REFRESHMENT
4 of 8 Board members have
5 or less years of tenure

Free Cash Flow Reconciliations

<i>(in thousands)</i>	For the Quarters Ended	
	March 31, 2025	March 31, 2024
Net cash provided by operating activities	\$224,490	\$210,932
Add back: net change in operating assets and liabilities	7,992	6,941
Cash flows from operations before net change in operating assets and liabilities	\$232,482	\$217,873
Additions to oil and natural gas properties	(131,168)	(120,986)
Changes in working capital associated with additions to oil and natural gas properties	9,210	20,244
Free cash flow	\$110,524	\$117,131

Adjusted EBITDAX Reconciliations

<i>(in thousands)</i>	For the Quarters Ended	
	March 31, 2025	March 31, 2024
Net income	\$106,648	\$97,597
Interest expense, net	5,252	2,312
Income tax expense	25,137	20,336
EBIT	\$137,037	\$120,245
Depreciation, depletion and amortization	105,853	97,076
Asset retirement obligations accretion	1,556	1,618
EBITDA	\$244,446	\$218,939
Exploration expenses	348	25
EBITDAX	\$244,794	\$218,964
Non-cash stock-based compensation expense	4,946	4,658
(Gain) loss on revaluation of contingent consideration	(1,352)	4,205
Adjusted EBITDAX	\$248,388	\$227,827

Adjusted Net Income Reconciliation

<i>(in thousands)</i>	For the Quarters Ended	
	March 31, 2025	March 31, 2024
Net income	\$106,648	\$97,597
Adjustments:		
(Gain) loss on revaluation of contingent consideration	(1,352)	4,205
Change in estimated income tax ⁽¹⁾	274	(795)
Adjusted Net Income	\$105,570	\$101,007

<i>(in thousands)</i>	For the Quarters Ended	
	March 31, 2025	March 31, 2024
Total Share Count		
Diluted weighted average shares of Class A Common Stock outstanding during the period	188,664	182,424
Weighted average shares of Class B Common Stock outstanding during the period ⁽²⁾	5,523	21,827
Total weighted average shares of Class A and B Common Stock, including dilutive impact of other securities⁽²⁾	194,187	204,251

(1) Represents corporate income taxes at an assumed annual effective tax rate of 20.3% and 18.9% for the quarters ended March 31, 2025 and 2024, respectively.

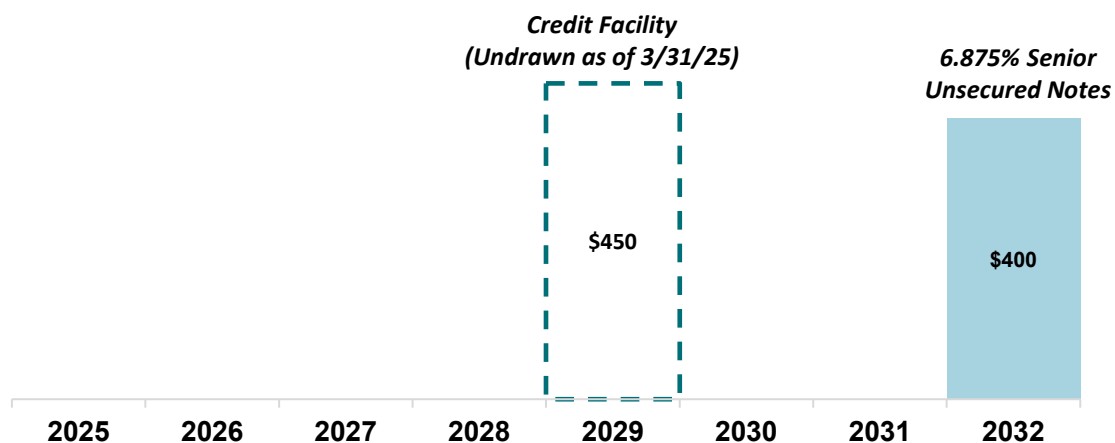
(2) Shares of Class B Common Stock, and corresponding Magnolia LLC Units, are anti-dilutive in the calculation of weighted average number of common shares outstanding.

First Quarter 2025 Capital Structure & Liquidity Overview

Capital Structure Overview

- Maintaining low financial leverage profile
 - Currently have a net debt⁽¹⁾ position of \$152 MM
 - Net debt⁽¹⁾ / Q1 annualized adjusted EBITDAX of 0.2x
- Current Liquidity of \$698 million, including fully undrawn credit facility ⁽²⁾
- No debt maturities until senior unsecured notes mature in 2032

Debt Maturity Schedule (\$MM)



Capitalization & Liquidity (\$MM)

<i>Capitalization Summary</i>	<i>As of 3/31/2025</i>
Cash and Cash Equivalents	\$248
Revolving Credit Facility	\$0
6.875% Senior Notes Due 2032	\$400
Total Principal Debt Outstanding	\$400
Total Equity ⁽³⁾	\$1,989
Net Debt / Q1 Annualized Adjusted EBITDAX	0.2x
Net Debt / Total Book Capitalization	6%

<i>Liquidity Summary</i>	<i>As of 3/31/2025</i>
Cash and Cash Equivalents	\$248
Credit Facility Availability	\$450
Liquidity ⁽²⁾	\$698

(1) Net debt is calculated as the difference between cash and total long-term debt, excluding unamortized deferred financing cost.

(2) Liquidity defined as cash plus availability under revolving credit facility.

(3) Total Equity includes noncontrolling interest.

Return on Capital Employed

<i>(in thousands)</i>	<i>For the Quarters Ended</i>	
	<i>March 31, 2025</i>	<i>March 31, 2024</i>
Operating income	\$135,822	\$124,558
<i>Operating income (A)</i>	<i>\$135,822</i>	<i>\$124,558</i>
Debt - beginning of period	392,513	392,839
Stockholders' equity - beginning of period	1,967,326	1,882,668
Capital employed - beginning of period	2,359,839	2,275,507
Debt - end of period	392,700	393,480
Stockholders' equity - end of period	1,989,324	1,897,784
Capital employed - end of period	2,382,024	2,291,264
<i>Average capital employed (B)</i>	<i>\$2,370,932</i>	<i>\$2,283,386</i>
<i>Return on average capital employed (A/B)</i>	<i>5.7%</i>	<i>5.5%</i>

Oil & Gas Production Results

	Combined	Karnes	Giddings	Combined	Karnes	Giddings
	For the Quarter Ended March 31, 2025			For the Quarter Ended March 31, 2024		
Production:						
Oil (MBbls)	3,517	1,072	2,445	3,415	1,298	2,117
Natural gas (MMcf)	16,492	2,273	14,219	13,749	2,596	11,153
Natural gas liquids (MBbls)	2,424	339	2,085	2,009	396	1,613
Total (Mboe)	8,689	1,789	6,900	7,715	2,126	5,589
Average Daily Production Volume:						
Oil (MBbls/d)	39.1	11.9	27.2	37.5	14.3	23.2
Natural gas (MMcf/d)	183.2	25.2	158.0	151.1	28.5	122.6
Natural gas liquids (MBbls/d)	26.9	3.7	23.2	22.1	4.3	17.8
Total (MBoe/d)	96.5	19.8	76.7	84.8	23.4	61.4