

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **April 17, 2026 (February 3, 2026)**

ANTERO RESOURCES CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-36120
(Commission
File Number)

80-0162034
(I.R.S. Employer
Identification Number)

1615 Wynkoop Street
Denver, Colorado 80202
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: **(303) 357-7310**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading symbol(s) | Name of each exchange on which registered |
|--|-------------------|---|
| Common Stock, par value \$0.01 Per Share | AR | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Introductory Note

On February 3, 2026, Antero Resources Corporation (the “Company”) filed a Current Report on Form 8-K (the “Original Filing”) reporting that on February 3, 2026, the Company completed the previously announced acquisition of HG Energy II Production Holdings, LLC (“HG Production”) from HG Energy II LLC (“HG Energy”) for cash consideration of approximately \$2.8 billion (the “Acquisition”), as contemplated by the Membership Interest Purchase Agreement, dated December 5, 2025, by and among the Company, HG Energy, HG Production, HG Energy II Midstream Holdings, LLC and Antero Midstream Partners LP.

On January 28, 2026, the Company issued \$750 million aggregate principal amount of 5.400% senior notes due February 1, 2036 (the “2036 Notes”) at a price of 99.869% of par. Additionally, on February 3, 2026, substantially concurrently with the consummation of the Acquisition, the Company entered into an unsecured three year term loan facility in an aggregate principal amount of \$1.5 billion with the lenders party thereto and Royal Bank of Canada, as administrative agent, and borrowed \$1.5 billion in a single borrowing (the “Term Loan”). The Acquisition was funded with net proceeds of the 2036 Notes, borrowings under the Term Loan, borrowings under the Company’s senior unsecured revolving credit facility and restricted cash (collectively, the “Financing Transactions”).

This Current Report on Form 8-K/A (this “Amendment”) amends and supplements the Original Filing to provide the financial statements required by Item 9.01(a) and the pro forma financial information required by Item 9.01(b) of Form 8-K. No other modifications to the Original Filing are being made by this Amendment.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business or Funds Acquired.

The audited consolidated financial statements of HG Production as of and for the year ended December 31, 2025, including the notes thereto, are filed as Exhibit 99.1 to this Current Report on Form 8-K/A and are incorporated herein by reference.

(b) Pro Forma Financial Information.

The unaudited pro forma condensed combined balance sheet of the Company as of December 31, 2025, giving effect to the Acquisition and the Financing Transactions as if each transaction had been completed on December 31, 2025, and the unaudited pro forma condensed combined statement of operations of the Company for the year ended December 31, 2025, giving effect to the Acquisition and the Financing Transactions as if each transaction had been completed on January 1, 2025, including the notes thereto, are contained in Exhibit 99.2 to this Current Report on Form 8-K/A and are incorporated herein by reference.

(d) Exhibits.

| Exhibit Number | Description |
|----------------------|---|
| 23.1 | Consent of BDO USA, P.C. |
| 23.2 | Consent of Cawley, Gillespie & Associates. |
| 99.1 | Audited consolidated financial statements of HG Production as of and for the year ended December 31, 2025, including notes thereto. |
| 99.2 | Unaudited pro forma condensed combined financial statements of the Company as of and for the year ended December 31, 2025, including notes thereto. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ANTERO RESOURCES CORPORATION

By: /s/ Brendan E. Krueger

Brendan E. Krueger

Chief Financial Officer and Senior Vice President—Finance and Treasurer

Dated: April 17, 2026

Consent of Independent Auditor

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-292670) and Form S-8 (Nos. 333-281151, 333-239773 and 333-191693) of Antero Resources Corporation of our report dated April 3, 2026, relating to the consolidated financial statements of HG Energy II Production Holdings, LLC, which appears in this Form 8-K.

/s/ BDO USA, P.C.

Houston, Texas
April 17, 2026

CAWLEY, GILLESPIE & ASSOCIATES, INC.

PETROLEUM CONSULTANTS

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AUSTIN, TEXAS 78730-1111
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1000 LOUISIANA STREET, SUITE 1900
HOUSTON, TEXAS 77002-5008
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Consent of Independent Petroleum Engineers

We hereby consent to the inclusion of information included or incorporated by reference in the registration statement (No. 333-292670) on Form S-3 and registration statements (Nos. 333-281151, 333-239773 and 333-191693) on Form S-8 of Antero Resources Corporation (the "Company") with respect to the information from our reserve report dated December 19, 2025, with respect to the estimates of total proved reserves and forecasts of economics attributable to HG Energy II Appalachia, LLC, as of December 31, 2025 included in the Current Report on Form 8-K/A filed on or about April 17, 2026.

/s/ Cawley, Gillespie & Associate, Inc.

CAWLEY, GILLESPIE & ASSOCIATES, INC.
Texas Registered Engineering Firm F-693

Fort Worth, Texas
April 17, 2026

HG Energy II Production Holdings, LLC and Subsidiary

Consolidated Financial Statements
Year Ended December 31, 2025

HG Energy II Production Holdings, LLC and Subsidiary

Consolidated Financial Statements
Year Ended December 31, 2025

HG Energy II Production Holdings, LLC and Subsidiary

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Independent Auditor's Report

The Board of Directors
HG Energy II Production Holdings, LLC and Subsidiary
Parkersburg, West Virginia

Opinion

We have audited the consolidated financial statements of HG Energy II Production Holdings, LLC and Subsidiary (collectively, the Company), which comprise the consolidated balance sheet as of December 31, 2025, and the related consolidated statements of income, changes in member's equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

/s/ BDO USA, P.C.

April 3, 2026

Consolidated Financial Statements

HG Energy II Production Holdings, LLC and Subsidiary

Consolidated Balance Sheet

December 31, 2025

| | |
|--|-------------------------|
| Assets | |
| Current Assets | |
| Cash and cash equivalents | \$ 47,253,179 |
| Accounts receivable: | |
| Production receivable | 97,935,346 |
| Joint interest owners and other | 1,073,124 |
| Commodity derivatives | 13,213,013 |
| Total Current Assets | <u>159,474,662</u> |
| Oil and Natural Gas Properties (Successful Efforts Method), Net | <u>2,050,179,320</u> |
| Other Assets | |
| Property, plant, and equipment, net | 138,746,096 |
| Deferred financing costs, net | 8,400,992 |
| Total Other Assets | <u>147,147,088</u> |
| Total Assets | <u>\$ 2,356,801,070</u> |
| Liabilities and Member's Equity | |
| Current Liabilities | |
| Accounts payable | \$ 18,664,615 |
| Production payable | 18,997,085 |
| Accrued liabilities | 32,427,956 |
| Accrued liabilities, related party | 14,969,487 |
| Total Current Liabilities | <u>85,059,143</u> |
| Long-Term Liabilities | |
| Debt | 500,000,000 |
| Commodity derivatives | 53,252,119 |
| Asset retirement obligations | 2,754,885 |
| Total Long-Term Liabilities | <u>556,007,004</u> |
| Total Liabilities | 641,066,147 |
| Commitments and Contingencies (Note 7) | |
| Member's Equity | 1,715,734,923 |
| Total Liabilities and Member's Equity | <u>\$ 2,356,801,070</u> |

See accompanying notes to consolidated financial statements.

HG Energy II Production Holdings, LLC and Subsidiary

Consolidated Statement of Income

Year ended December 31, 2025

| | |
|---|-----------------------|
| Revenues | |
| Natural gas sales | \$ 714,415,910 |
| Natural gas liquid sales | 73,826,533 |
| Condensate sales | 7,127,039 |
| Gathering fee, service fee, and other | 5,666,222 |
| Total Revenues | <u>801,035,704</u> |
| Operating Costs and Expenses | |
| Lease operating expense | 138,420,635 |
| Gathering fee, related party | 87,722,251 |
| Depreciation, depletion, and amortization | 146,975,429 |
| Impairment and abandonment | 976,658 |
| General and administrative | 14,410,999 |
| Severance tax | 38,003,122 |
| Accretion of asset retirement obligations | 169,259 |
| Total Operating Costs and Expenses | <u>426,678,353</u> |
| Income from Operations | <u>374,357,351</u> |
| Other Income (Expense) | |
| Gain on commodity derivatives | 41,800,835 |
| Interest expense | (40,806,081) |
| Loss on interest rate swap | (3,862,216) |
| Other income | 2,116,723 |
| Other Expense, Net | <u>(750,739)</u> |
| Net Income | <u>\$ 373,606,612</u> |

See accompanying notes to consolidated financial statements.

HG Energy II Production Holdings, LLC and Subsidiary

Consolidated Statement of Changes in Member's Equity

| | Member's Equity |
|-----------------------------------|-------------------------|
| Balance, January 1, 2025 | \$ 1,435,818,557 |
| Capital contribution | 3,690,245 |
| Capital distribution | (97,380,491) |
| Net income | 373,606,612 |
| Balance, December 31, 2025 | <u>\$ 1,715,734,923</u> |

See accompanying notes to consolidated financial statements.

HG Energy II Production Holdings, LLC and Subsidiary

Consolidated Statement of Cash Flows

Year ended December 31, 2025

| | |
|---|----------------------|
| Cash Flows from Operating Activities | |
| Net income | \$ 373,606,612 |
| Adjustments to reconcile net income to net cash provided by operating activities: | |
| Gain on commodity derivatives | (41,800,835) |
| Net cash received on commodity derivatives | 19,120,758 |
| Loss on interest rate swap | 3,862,216 |
| Net cash received on interest rate swap | 1,832,745 |
| Accretion of asset retirement obligations | 169,259 |
| Depreciation, depletion, and amortization | 146,975,429 |
| Impairment and abandonment | 976,658 |
| Amortization of deferred financing costs | 2,737,027 |
| Changes in assets and liabilities: | |
| Accounts receivable | (29,260,781) |
| Accounts payable | (4,103,617) |
| Production payable | (9,910,432) |
| Accrued liabilities | (1,600,635) |
| Accrued liabilities, related party | 7,871,515 |
| Net Cash Provided by Operating Activities | <u>470,475,919</u> |
| Cash Flows from Investing Activities | |
| Additions to oil and natural gas properties | (408,652,007) |
| Additions to property, plant, and equipment | (8,657,380) |
| Net Cash Used in Investing Activities | <u>(417,309,387)</u> |
| Cash Flows from Financing Activities | |
| Proceeds from revolving credit facility | 50,000,000 |
| Capital contribution | 3,690,245 |
| Capital distribution | (97,380,491) |
| Net Cash Used in Financing Activities | <u>(43,690,246)</u> |
| Increase in Cash and Cash Equivalents | 9,476,286 |
| Cash and Cash Equivalents, beginning of year | <u>37,776,893</u> |
| Cash and Cash Equivalents, end of year | <u>\$ 47,253,179</u> |
| Supplemental Cash Flow Disclosures | |
| Cash paid for interest | \$ 11,653,476 |
| Non-Cash Investing and Financing Activities | |
| Asset retirement obligation incurred and revisions | (61,413) |
| Changes in accrued capital expenditures | <u>(110,009)</u> |

See accompanying notes to consolidated financial statements

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies

Reporting Entity and Nature of Business

HG Energy II Production Holdings, LLC (HGPH) was formed on May 1, 2017 and is an oil and natural gas company engaged in the acquisition, development, exploitation, and production of oil and natural gas properties in Southwest Pennsylvania and West Virginia.

The consolidated financial statements include the accounts of HG Energy II Production Holdings, LLC and its wholly owned subsidiary, HG Energy II Appalachia, LLC (HGA), collectively referred to as the Company throughout these consolidated financial statements.

On December 5, 2025, the Company, along with its parent Company, HG Energy II, LLC, entered into a Membership Interest Purchase Agreement (MIPA) to sell 100% of its equity interests in HGPH to Antero Resources Corporation (Antero), with an effective date of January 1, 2026. The transaction closed on February 3, 2026. See Note 8 for further discussion of the transaction.

Principles of Consolidation

The accompanying consolidated financial statements include the results of all of the Company's operations. All significant intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant assumptions are required in the valuation of proved oil and natural gas reserves, which affect the amount at which oil and natural gas properties are recorded. Estimates of proved reserves impact depletion expense. If proved reserves decline, then the rate at which depletion expense is recorded increases. A decline in estimated proven reserves could result from lower prices, adverse operating results, mechanical problems at wells, and/or catastrophic events, such as fires, hurricanes, and floods. Lower prices can make it uneconomical to drill new wells or produce from existing wells with high operating costs. In addition, a decline in proved reserves will impact the assessment of oil and natural gas properties for impairment. Proved reserves estimates are based upon many assumptions, all of which could deviate materially from actual results. As such, reserve estimates may vary materially from the ultimate quantities of oil and natural gas actually produced. Also, a substantial amount of future development costs will be required to develop the proved undeveloped reserves. Proved undeveloped reserves may be reclassified from proved reserves to probable reserves, or permanently reduced, if the capital expenditures are unable to be funded through cash flows from operations and/or additional debt or capital contributions.

The computation of mark-to-market valuations of commodity derivatives is based upon observable quoted market prices. Also, the fair value of commodity derivatives is based on assumptions of forward prices, volatility, and the time value of money. Significant assumptions are also required in estimating the accrual of capital expenditures, loss contingencies, interest rate swaps, and asset retirement obligations (AROs). It is at least reasonably possible any of the estimates mentioned above could be revised in the near term, and these revisions could be material.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents may exceed the Federal Deposit Insurance Corporation (FDIC) insurance limits. The Company does not believe it is exposed to any significant credit risk on its cash and cash equivalents.

Accounts Receivable and Customer Concentration

Accounts receivable - production receivable consist of amounts due from sales of natural gas, natural gas liquids (NGL), and condensates. Accounts receivable - joint interest owners and other consist of amounts due from the Company's joint interest partners for drilling, completing and operating costs, and other small miscellaneous receivables.

Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses*, requires entities to estimate expected credit losses on financial assets, including trade receivables and commodity derivatives that are applicable to the Company's operations. The Company assesses the collectability of accounts receivable based on a broad range of reasonable and forward-looking information, including historical losses, current economic conditions, future forecasts, and contractual terms. The Company does not have an allowance for credit loss as of December 31, 2025.

The Company has contracts in place with a relatively small number of purchasers to sell natural gas, NGLs, and condensates, as is customary in the exploration, development, and production business. Purchaser contracts include marketing provisions with purchasers to market production. In the event that these purchasers cease doing business with the Company, management believes there are other alternative purchasers with whom a relationship could be established to replace one or more lost purchasers. As of December 31, 2024, the Oil, natural gas and NGL sales receivable was \$69,236,284. Management does not expect the loss of any single purchaser to have a long-term material impact on operations, though the Company may experience a short-term decrease in revenue as alternative arrangements are made.

Oil and Natural Gas Properties

The Company follows the successful efforts method of accounting. Exploration expenses, including geological and geophysical expenses and delay rentals, are charged to expense. The costs of drilling and equipping exploratory wells are deferred until it has been determined whether proved reserves have been found. If proved reserves are found, the deferred costs are capitalized as part of the wells and related equipment and facilities. If no proved reserves are found, the deferred costs are charged to expense. All costs of drilling and equipping developmental wells and the costs of support facilities and equipment used in oil and natural gas operations are capitalized. The Company is primarily engaged in the development and acquisition of oil and natural gas properties. The Company's activities are considered developmental where existing proved reserves are identified prior to commencement of the project, and are considered exploratory, if there are no proved reserves at the beginning of such project.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

Costs for repairs and maintenance are charged to expense. Significant tangible equipment added or replaced that extends the useful or productive life of the property is capitalized. Costs incurred to increase the productive capacity from existing reservoirs are capitalized.

The Company groups its proved oil and gas properties into amortization groups by field (or by common geological structure/reservoir within a field) for purposes of computing depreciation, depletion, and amortization (DD&A) and evaluating impairment. Depletion of proved oil and natural gas properties is computed on the unit-of-production method based on estimated proved oil and natural gas reserves. Management revises unit-of-production amortization rates prospectively on an annual basis at a minimum, based on updated engineering information for proved reserves. Development costs and lease and wellhead equipment are depleted based on proved developed reserves. Leasehold costs are depleted based on total proved reserves. Investments in major development projects are not depleted until such projects are substantially complete and producing or until impairment occurs.

On the sale or retirement of a complete unit of a proved property, the cost and related accumulated depreciation, depletion, and amortization are removed from property accounts, and the resulting gain or loss is recognized. Upon the sale or retirement of a partial unit of proved property, the proceeds are charged against the carrying basis of the properties until the entire net carrying value of the properties is recovered. Any consideration received in excess of the net carrying basis of the properties would be recognized as a gain while consideration received that is less than the carrying value would result in a loss or impairment.

On the sale of an entire interest in an unproved property for cash or cash equivalents, gain or loss on the sale is recognized, taking into consideration the amount of any recorded impairment if the property had been individually assessed. If a partial interest in an unproved property is sold, the amount received is treated as a reduction of the cost of the interest retained.

Property, Plant, and Equipment

Property, plant, and equipment, which are comprised primarily of waterline assets, are recorded at cost, including expenditures for additions and major improvements. Depreciation is computed using the straight-line method over the estimated useful lives of the assets up to 40 years. Routine maintenance and repair costs are expensed as incurred. The cost and related accumulated depreciation of assets sold or retired are removed from the accounts and any resulting gain or loss is reflected in earnings for the year.

Impairments of Long-Lived Assets

The Company reviews its long-lived assets to be held and used, including proved oil and natural gas properties, whenever events or circumstances indicate that the carrying value of these assets may not be recoverable, or an instance when there are declines in commodity prices or well performance. Proved properties are compared to management's future estimated undiscounted net cash flows from the properties. If undiscounted cash flows are less than the carrying value, then management recognizes an impairment charge in income from operations equal to the difference between the carrying value and their estimated fair value based on the present value of the related future net cash flows and other relevant market value data.

Unproved properties are excluded from DD&A until proved reserves are established or impairment is recognized. Impairment of individually significant unproved properties is assessed on a property-by-property basis, and impairment of other unproved properties is assessed on an aggregate basis. Exploratory well costs pending determination of proved reserves are initially capitalized but are charged to expense if the well does not find proved reserves or if the continuation of exploration is not justified. There were no capitalized exploratory well costs at December 31, 2025

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

The impairment assessment for unproved properties is affected by factors such as the results of exploration and development activities, commodity price projections, remaining lease terms, and potential shifts in business strategy. The Company determined there was no impairment on its proved oil and natural gas properties for the year ended December 31, 2025. Undeveloped lease abandonment cost was approximately \$977,000 for the year end December 31, 2025.

Deferred Financing Costs

The cost of obtaining financing is amortized using the straight-line method over the term of the credit facility, which approximates the effective-interest method. Amortization of approximately \$2,737,000 for the year ended December 31, 2025 is included in interest expense in the accompanying consolidated statement of income. The unamortized deferred financing cost balance was approximately \$8,401,000 as of December 31, 2025.

Derivatives

The Company maintains commodity derivative contracts to partially mitigate the risk associated with fluctuations of prices for product sales. By locking in minimum prices, management protects its cash flows, which support operational and annual capital expenditure plans. Derivatives are recorded as derivative assets and liabilities on the consolidated balance sheet based upon their respective fair value.

Management does not designate derivatives as cash flow or fair value hedges or hold or issue derivatives for speculation or trading purposes. The Company is exposed to credit losses in the event of nonperformance by the counterparties to commodity derivatives contracts. The Company does not obtain collateral or other security to support the commodity derivatives contracts, nor is the Company required to post any collateral. Management monitors the credit standings of counterparties to evaluate credit risk.

The fair value of the derivatives is established using index prices, volatility curves, and discount factors. The value the Company reports in its consolidated financial statements is as of a point in time and subsequently changes as these estimates are revised to reflect actual results, changes in market conditions, and other factors. Changes in the fair values of derivative instruments are recorded in earnings as a gain or loss on commodity derivatives in the consolidated statement of income.

Additionally, the Company maintained interest rate swaps during the year, and all such swaps were terminated before year-end. Management does not designate the interest rate swaps as a cash flow or fair value hedge. Cash flows from the monthly settlements are recorded within interest expense in the consolidated statement of income. Changes in the fair value of the interest rate swaps are recorded in earnings as a gain or loss on interest rate swaps in the consolidated statement of income. The fair value of the interest rate swaps is determined by using a discounted cash flow method using the appropriate inputs from the forward interest rate yield curves.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

Production Payable

Production payables are amounts collected from purchasers of oil and natural gas sales that are due to other working interest and royalty owners. Management is typically required to remit these amounts to the other parties within 30 days from the end of the applicable production month.

Accrued Liabilities

December 31, 2025

| | |
|----------------------------------|----------------------|
| Accrued capital expenditures | \$ 21,210,557 |
| Accrued operating expenditure | 11,217,399 |
| Total Accrued Liabilities | \$ 32,427,956 |

Asset Retirement Obligations

AROs consist of future plugging and abandonment expenses related to oil and natural gas properties recorded at estimated fair value at the asset's inception, with an offsetting increase to proved oil and natural gas properties on the consolidated balance sheet, which is depreciated such that the life of the ARO is recognized over the useful life of the asset. Periodic accretion of the discount of the estimated liability to its expected settlement value is recorded as an expense in the consolidated statement of income.

Inherent in the fair value calculation of AROs are numerous assumptions and judgments, including the ultimate settlement amounts, inflation factors, the credit-adjusted risk-free rate, timing of settlement, and changes in the legal, regulatory, environmental, and political environments. To the extent future revisions to these assumptions impact the fair value of the existing ARO liability, a corresponding adjustment is made to the oil and natural gas property balance.

The valuation technique utilized to determine the fair value of the liability at inception applies a credit-adjusted risk-free rate, which takes into account the credit risk, the time value of money, and the current economic state, to the undiscounted expected plugging and abandonment cash flows.

Environmental Remediation

Various federal, state, and local laws and regulations covering the discharge of materials into the environment, or otherwise relating to the protection of the environment, may affect the Company's operations and the costs of its oil and natural gas exploration, development, and production operations. The Company does not anticipate that it will be required in the near future to expend significant amounts due to environmental laws and regulations and, accordingly, no reserves have been recorded.

Revenue Recognition

For the sale of natural gas, NGLs, and condensate, the Company generally considers the delivery of each unit to be a separate performance obligation that is satisfied upon delivery. These contracts typically require payment within 30 days of the end of the calendar month in which the gas is delivered. A significant number of these contracts contain variable consideration because the payment terms refer to market prices at future delivery dates. In these situations, the Company has not identified a standalone selling price because the terms of the variable payments relate specifically to the Company's efforts to satisfy the performance obligations. Other contracts contain fixed consideration (i.e., fixed price contracts or contracts with a fixed differential to index prices). The fixed consideration is allocated to each performance obligation on a relative standalone selling price basis, which requires judgment from management. For these contracts, the Company generally concludes that the fixed price or fixed differentials in the contracts are representative of the standalone selling price.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

Based on management's judgment, the performance obligations for the sale of natural gas, NGLs, and condensate are satisfied at a point in time because the customer obtains control and legal title of the asset when the natural gas, NGLs, and condensate are delivered to the designated sales point.

The sales of natural gas, NGLs, and condensate, as presented on the consolidated statement of income, represent the Company's share of revenues net of royalties and excluding revenue interests owned by others. When selling natural gas, NGLs, and condensate on behalf of royalty owners or working interest owners, the Company, thus, reports only its share of the revenue.

Income Tax Status

The Company is organized as a limited liability company. Under the provisions of the Internal Revenue Code and similar state provisions, the Company is taxed as a partnership and is not liable for income taxes. Instead, its earnings and losses are included in the tax return of its members. Therefore, the consolidated financial statements do not reflect a provision for federal or state income taxes.

The Company utilizes a two-step approach for recognizing and measuring uncertain tax positions accounted for in accordance with the asset and liability method. The first step is to evaluate the tax position for recognition by determining whether evidence indicates that it is more likely than not that a position will be sustained if examined by a taxing authority. The second step is to measure the tax benefit as the largest amount that is 50% likely of being realized upon settlement with a taxing authority. There was no amount recorded at December 31, 2025 related to uncertain tax positions.

Fair Value Measurements

The Company defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, the Company considers the principal or most advantageous market in which the Company would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as inherent risk, transfer restrictions, and credit risk.

The Company applies the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 – This level consists of quoted prices in active markets for identical assets or liabilities.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

Level 2 - This level consists of observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - This level consists of inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

A financial assets or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The determination of the fair values incorporates various factors, including the impact of the counterparty's non-performance risk with respect to the Company's financial assets and the Company's non-performance risk with respect to the Company's financial liabilities.

In accordance with the reporting requirements of Accounting Standards Codification (ASC) 825, *Financial Instruments*, the Company calculates the fair value of its assets and liabilities, which qualify as financial instruments and includes this additional information when the fair value is different than the carrying value of those financial instruments. The estimated fair value of cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities approximates the carrying amounts due to the relatively short maturity of these instruments. The carrying value of long-term debt also approximates fair value due to floating market rates and is considered Level 2 in the fair value hierarchy. None of these instruments are held for trading purposes.

The Company's derivative contracts are valued based on a marked to market approach. These assumptions are observable in the marketplace throughout the full term of the contract, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace, and are therefore designated as Level 2 within the valuation hierarchy. The Company utilizes its counterparties' valuations to assess the reasonableness of its own valuations.

December 31, 2025

| | Level 1 | Level 2 | Level 3 | Effect of Netting | Net Fair Value |
|----------------------|---------|----------------|---------|----------------------|-----------------|
| Assets | | | | | |
| Derivative contracts | \$ - | \$ 147,830,724 | \$ - | \$ (147,830,724) | \$ - |
| Liabilities | | | | | |
| Derivative contracts | \$ - | \$ 187,869,830 | \$ - | \$ (147,830,724) | \$ (40,039,106) |

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

Non-recurring fair value measurements include the assessment of impaired oil and natural gas properties and the initial recognition of AROs for which fair value is used. These estimates are derived from historical costs, as well as management's expectation of future cost and commodity price environments. As there is no corroborating market activity to support the assumptions used, the Company has designated these estimates as Level 3.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

Recently Issued Accounting Standards

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU No. 2024-03, *Disaggregation of Income Statement Expenses* (ASU 2024-03). ASU 2024-03 is intended to improve the disclosure about certain operating expenses primarily through enhanced disclosure of cost of sales and selling, general and administrative expenses. This ASU is effective for annual reporting periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. ASU 2024-03 can be applied on either a prospective or a retrospective basis at the Company's election. The Company is evaluating the impact that ASU 2024-03 will have on the consolidated financial statements and its plans for adoption, including its transition method and adoption date.

2. Derivative Instruments

Due to the volatility of oil and natural gas prices, the Company periodically enters into price-risk management transactions (e.g., oil and natural gas commodity swaps and collars) for a portion of its oil and natural gas production to achieve a more predictable cash flow, as well as to reduce exposure from price fluctuations. While the use of these arrangements limits the Company's ability to benefit from certain increases in the prices of oil and natural gas, it also reduces the Company's potential exposure to adverse price movements.

The Company estimates the fair values of commodity derivatives based on published forward commodity price curves for the underlying commodities as of the date of the estimate for those commodities for which published forward pricing is readily available. The determination of the fair values above incorporates various factors, including the impact of the Company's non-performance risk and the credit standing of the counterparty involved in the Company's derivative contract. The Company routinely monitors the creditworthiness of its counterparties. Counterparties, other than a lender or an affiliate of a lender, used by the Company, must have a long-term senior unsecured debt rating of A-/A3 by S&P or Moody's or higher.

The following table sets forth a reconciliation of changes in the fair value of the Company's derivative instruments:

December 31, 2025

| | |
|---|------------------------|
| Fair Value of Commodity Derivatives, Net , beginning of year | \$ (62,719,183) |
| Commodity derivative cash settlements received | (19,120,758) |
| Total gain on commodity derivatives | 41,800,835 |
| Fair Value of Commodity Derivatives, Net , end of year | <u>\$ (40,039,106)</u> |

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HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

The Company has netting agreements with financial institutions and its brokers that permit net settlement of gross commodity derivative assets against gross commodity derivative liabilities. The table below summarizes the impact of netting agreements on gross derivative assets and liabilities.

December 31, 2025

| | Gross Derivative Instruments Recorded in the Consolidated Balance Sheet | Derivative Instruments Subject to Master Netting Agreements | Net Derivative Instruments |
|--|---|---|-------------------------------|
| Current commodity derivative assets | \$ 88,480,617 | \$ (75,267,604) | \$ 13,213,013 |
| Current commodity derivative liabilities | (75,267,604) | 75,267,604 | - |
| Long-term derivative asset | 59,350,107 | (59,350,107) | - |
| Long-term commodity derivative liabilities | (112,602,226) | 59,350,107 | (53,252,119) |
| Total | \$ (40,039,106) | \$ - | \$ (40,039,106) |

The following tables summarize the average prices, as well as future production volumes for the Company's future derivative contracts in place as of December 31, 2025:

NYMEX Henry Hub Settlements

Fixed Swap

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|-----------------------------------|---------|---------|---------|
| Volume (MMBtu) | 187,690 | 160,720 | 64,040 |
| Weighted-average price (\$/MMBtu) | \$ 3.94 | \$ 3.81 | \$ 3.78 |

3-Way Collar Options

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|------------------------------------|---------|---------|------|
| Volume (MMBtu) | 8,210 | 8,200 | - |
| Weighted-average price (\$/MMBtu): | | | |
| Short calls | \$ 4.64 | \$ 4.68 | \$ - |
| Long puts | 3.58 | 3.66 | - |
| Short puts | 2.78 | 2.55 | - |

Collars

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|------------------------------------|---------|---------|------|
| Volume (MMBtu) | 19,170 | 17,310 | - |
| Weighted-average price (\$/MMBtu): | | | |
| Short calls | \$ 4.44 | \$ 4.54 | \$ - |
| Long puts | 3.46 | 3.45 | - |

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

Options (Short Calls)

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|-----------------------------------|---------|---------|------|
| Volume (MMBTU) | 9,140 | 9,110 | - |
| Weighted-average price (\$/MMBtu) | \$ 7.20 | \$ 7.10 | \$ - |

Eastern Gas South (Dominion South) Basis Swaps

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|-----------------------------------|---------|---------|---------|
| Volume (MMBtu) | 79,990 | 56,440 | 20,120 |
| Weighted-average price (\$/MMBtu) | \$ 0.99 | \$ 1.00 | \$ 0.95 |

Eastern Gas South (Dominion South) Fixed Swaps

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|-----------------------------------|---------|---------|---------|
| Volume (MMBtu) | 1,810 | 7,300 | 10,980 |
| Weighted-average price (\$/MMBtu) | \$ 3.26 | \$ 2.93 | \$ 2.88 |

TCO Basis Swaps

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|-----------------------------------|---------|---------|---------|
| Volume (MMBtu) | 36,500 | 27,300 | 10,960 |
| Weighted-average price (\$/MMBtu) | \$ 0.82 | \$ 0.78 | \$ 0.81 |

TETCO M2 Basis Swaps

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|-----------------------------------|---------|---------|---------|
| Volume (MMBtu) | 98,580 | 85,030 | 31,060 |
| Weighted-average price (\$/MMBtu) | \$ 1.01 | \$ 0.98 | \$ 0.91 |

TETCO M2 Fixed Swaps

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|-----------------------------------|------|------|---------|
| Volume (MMBtu) | - | - | 21,960 |
| Weighted-average price (\$/MMBtu) | \$ - | \$ - | \$ 2.92 |

OPIS Propane Mt Belv (TET)

| <i>Year ending December 31,</i> | 2026 | 2027 | 2028 |
|---------------------------------|---------|------|------|
| Volume (Mgallons) | 17,661 | - | - |
| Weighted-average price (\$/gal) | \$ 0.80 | \$ - | \$ - |

In connection with the MIPA described in Note 1 and Note 9, the Company novated all outstanding forward hedges to Antero, effective January 1, 2026.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

Interest Rate Swaps

On June 17, 2024 (and effective June 28, 2024), the Company entered into an interest rate swap with Wells Fargo Bank, National Association. This trade amended and restated an existing \$200,000,000 swap originally entered into on October 1, 2021 (and effective September 30, 2021). The amended and restated swap has a notional amount of \$250,000,000 and provides for a fixed interest rate of 3.389% payable by the Company. The Company receives a variable rate based on the one-month Secured Overnight Financing Rate (SOFR) as defined in the swap agreement. The swap has a maturity date of April 28, 2028 and is subject to payments by the Company or Wells Fargo Bank, National Association at the end of each month. On August 2, 2024 (Effective July 31, 2024), the Company entered into an interest rate swap with Truist Bank. The swap has a notional amount of \$50,000,000 and provides for a fixed interest rate of 3.496% payable by the Company. The Company receives a variable rate based on the one-month SOFR rate as defined in the swap agreement. The swap has a maturity date of April 28, 2028 and is subject to payments by the Company or Truist Bank at the end of each month. On April 28, 2025, the Company entered into an interest rate swap with Citizen Bank. The swap has a notional amount of \$50,000,000 and provides for a fixed interest rate of 3.251% payable by the Company. The Company receives a variable rate based on the one-month SOFR rate as defined in the swap agreement. The swap has a maturity date of April 28, 2028 and is subject to payments by the Company or Citizen Bank at the end of each month. All the interest rate swaps were terminated in December 2025.

Management does not designate the interest rate swaps as a cash flow or fair value hedge. Cash flows from the monthly settlements are recorded within interest expense in the consolidated statement of income. Changes in the fair value of the interest rate swaps are recorded in earnings as a gain or loss on interest rate swaps in the consolidated statement of income. The fair value of the interest rate swaps is determined by using a discounted cash flow method using the appropriate inputs from the forward interest rate yield curves. The fair value of the interest rate swaps is reflected as an asset of \$0 at December 31, 2025. The Company considers the interest rate swaps to be classified as Level 2 within the fair value hierarchy.

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HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

3. Oil and Natural Gas Properties and Property, Plant, and Equipment

Oil and natural gas properties, net, and property, plant, and equipment, net, consist of the following:

December 31, 2025

| | | |
|---|--|-------------------------|
| Oil and Natural Gas Properties | | |
| Proved | | \$ 2,496,685,690 |
| Unproved | | 171,940,055 |
| | | <u>2,668,625,745</u> |
| Less: accumulated depreciation, depletion, and amortization | | (618,446,425) |
| Oil and Natural Gas Properties, Net | | <u>2,050,179,320</u> |
| Property, Plant, and Equipment | | |
| Midstream assets (gathering and transmission pipelines) | | 151,399,630 |
| Other | | 2,031,090 |
| | | <u>153,430,720</u> |
| Less: accumulated depreciation and amortization | | (14,684,624) |
| Property, Plant, and Equipment, Net | | <u>138,746,096</u> |
| Total | | <u>\$ 2,188,925,416</u> |

Total depletion expense on oil and natural gas properties was approximately \$143,075,000 for the year ended December 31, 2025. Total depreciation expense on property, plant, and equipment was approximately \$3,901,000 for the year ended December 31, 2025.

4. Debt

On April 22, 2022, the Company executed the First Amendment to the Amended and Restated Credit Agreement. The First Amendment increased the borrowing base from \$375,000,000 to \$500,000,000, reduced the three-year forward rolling hedge requirement to two years (for the next eight fiscal quarters), and transitioned the Benchmark rate for the facility from a London Interbank Offered (LIBO)-based rate to an SOFR-based rate. Additionally, it also amended the definition of Ongoing Hedges under Swap Agreements to the following:

- (A) For the 36-month period (and for each fiscal month during such period) from the date such Swap Agreement trade or transaction is created, up to the greater of (x) 70% of the reasonably anticipated projected production from the Credit Parties' Oil and Natural Gas Properties (as set forth in the most recent Projected Volume Report delivered pursuant to the terms of the agreement) of crude oil, natural gas, and natural gas liquids, calculated separately, and (y) 85% of the reasonably anticipated projected production from the Credit Parties' Oil and Natural Gas Properties constituting Proved Reserves (as set forth in the most recent Reserve Report delivered pursuant to the terms of the agreement) of crude oil, natural gas, and natural gas liquids, calculated separately.
- (B) For the 37th month through the 60th month (and for each fiscal month during such period) from the date such Swap Agreement trade or transaction is created, up to 85% of the reasonably anticipated projected production from the Credit Parties' Oil and Natural Gas Properties constituting Proved Reserves (as set forth in the most recent Reserve Report delivered pursuant to the terms of the agreement) of crude oil, natural gas, and natural gas liquids, calculated separately (the hedges entered into pursuant to clause (A) above and this clause (B), the Ongoing Hedges).

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

On September 23, 2022, HGPH executed the Second Amendment to the Amended and Restated Credit Agreement. The amendment decreased the borrowing base from \$500,000,000 to \$450,000,000.

On May 2, 2023, HGPH executed the Third Amendment to the Amended and Restated Credit Agreement. The amendment increased the borrowing base from \$450,000,000 to \$600,000,000. However, HGA elected for a \$550,000,000 elected commitment amount (ECA), as this level provided adequate liquidity for operations and reduced fees on unutilized capacity.

On April 29, 2024, HGPH executed the Fourth Amendment to the Amended and Restated Credit Agreement. The amendment extended the maturity date of the Credit Agreement through April 29, 2028, and increased the borrowing base from \$600,000,000 to \$800,000,000. However, HGA elected for a \$700,000,000 ECA, as this level provided adequate liquidity for operations and reduced fees on unutilized capacity. As of December 31, 2024, the maximum borrowing base was \$800,000,000 and the ECA was \$700,000,000.

On April 29, 2025, the ECA of \$700,000,000 and the borrowing base of \$900,000,000 were reaffirmed. As of December 31, 2025, the maximum borrowing base was \$900,000,000 and the ECA was \$700,000,000.

The borrowings in accordance with the Credit Agreement are collateralized by substantially all of the Company's exploration and production assets. The Credit Agreement contains various restrictive covenants, which, among other things, require the Company to maintain a maximum consolidated total leverage ratio and a minimum consolidated current ratio. At December 31, 2025, the Company was in compliance with all covenants contained in the Credit Agreement.

Interest on obligations under the Credit Agreement defined as alternate base rate (ABR) loans is equal to the ABR, defined as a rate per annum equal to the greater of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1%, and (c) Adjusted Term SOFR for a one-month tenor in effect on such day (or if such day is not a business day, the immediately preceding business day) plus 1.0%. Interest for obligations under the Credit Agreement defined as SOFR loans is equal to the Adjusted Term SOFR per annum, which is equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment. The Term SOFR Adjustment is equal to 0.10% per annum. The effective interest rate was 7.07% at December 31, 2025.

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HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

The borrowing base utilization grid as amended as of December 31, 2025, that determines the applicable margin, is as follows:

| | Borrowing Base Utilization Percentage | | | | |
|-------------------------|---------------------------------------|------------------|------------------|------------------|------|
| | ≤25% | >25% and ≤50% | >50% and ≤75% | >75% and ≤90% | >90% |
| SOFR loans (%) | 2.75 | 3.00 | 3.25 | 3.50 | 3.75 |
| ABR loans (%) | 1.75 | 2.00 | 2.25 | 2.50 | 2.75 |
| Commitment fee rate (%) | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |

At December 31, 2025, the Company's total amount of outstanding borrowings under loans was \$500,000,000. The Credit Agreement allows the Company to issue standby letters of credit. There were no issued standby letters of credit at December 31, 2025. No scheduled principal debt payments are due until the maturity of the Credit Agreement in April 2028.

Aggregate approximate maturities of the debt obligations for HG Energy II, LLC consist of the following at December 31, 2025:

| <i>Year ending December 31,</i> | |
|---------------------------------|-----------------------|
| 2026 | \$ - |
| 2027 | - |
| 2028 | 500,000,000 |
| Total | \$ 500,000,000 |

5. Asset Retirement Obligation

AROs consist primarily of estimated costs of dismantlement, removal, site reclamation, and similar activities associated with the Company's oil and natural gas properties. The following table describes changes in the ARO:

| <i>Year ended December 31, 2025</i> | |
|--|---------------------|
| ARO Liability , beginning of year | \$ 2,647,039 |
| Liabilities incurred | 183,507 |
| Accretion expense | 169,259 |
| Revisions | (244,920) |
| ARO Liability , end of year | \$ 2,754,885 |

6. Related Party Transactions

The Company's parent company, HG Energy II, LLC has a Management Services Agreement with an entity under common ownership, HG Energy, LLC, for reimbursement of services provided to the Company by HG Energy, LLC, including management, administrative, accounting, and legal services. The Company recognized expenses of approximately \$14,410,999 during the year ended December 31, 2025 under the agreement. These expenses are included within general and administrative expenses on the consolidated statement of income.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

On June 1, 2018, the Company entered into a Gas Gathering Agreement Contract with HG Energy II Midstream Holdings, LLC (HGMH) where HGMH provides a gathering service to HGPH, and charges a fixed rate on quantity of productions for gas and condensate gathered. During the year ended December 31, 2025, the Company incurred \$87,722,251 of gathering fees payable to HGMH, which are included in the Gathering fee, related party on the consolidated statement of income. As of December 31, 2025, the Company had a related-party payable of \$14,969,487 due to HGMH, included in the Accrued liabilities, related party on the consolidated balance sheet.

7. Commitments and Contingencies

The Company may be involved in litigation and claims that arise in the normal course of business. The Company is not aware of any such lawsuits. It is the opinion of management that the outcome of any lawsuits would not materially affect the financial position and operations of the Company.

In the normal course of business, the Company enters into contractual arrangements that give rise to commitments, including, but not limited to, operating agreements, service and maintenance arrangements, purchase obligations, and other contractual commitments. These commitments may require future cash payments and are evaluated for appropriate recognition and disclosure in the accompanying consolidated financial statements in accordance with ASC 440, *Commitments*. The following table sets forth a schedule of future minimum payments for the Company's contractual obligations, which include leases that have a lease term in excess of one year as of December 31, 2025:

| | Firm Transportation ^(a) | Processing, Gathering, and Compression ^(b) | Operating Activities ^(c) | Total |
|--------------|---------------------------------------|--|--|-------------------------|
| 2026 | \$ 54,829,470 | \$ 58,001,429 | \$ 40,273,500 | \$ 153,104,399 |
| 2027 | 54,580,070 | 67,294,542 | - | 121,874,612 |
| 2028 | 53,845,188 | 75,978,843 | - | 129,824,031 |
| 2029 | 49,753,570 | 71,467,590 | - | 121,221,160 |
| 2030 | 47,244,350 | 67,957,426 | - | 115,201,776 |
| Thereafter | 66,669,452 | 412,221,285 | - | 478,890,737 |
| Total | \$ 326,922,100 | \$ 752,921,115 | \$ 40,273,500 | \$ 1,120,116,715 |

- (a) *Firm Transportation* - The Company has entered into firm transportation agreements with various pipelines in order to facilitate the delivery of its production to market. These contracts commit the Company to transport minimum daily natural gas volumes at negotiated rates, or pay for any deficiencies at specified reservation fee rates. The amounts in this table are based on the Company's minimum daily volumes at the reservation fee rate. The values in the table represent the gross amounts that the Company is committed to pay.
- (b) *Processing, Gathering, and Compression Commitments* - The Company has entered into various long-term gas processing, gathering, and compression agreements. The minimum payment obligations under the agreements are presented in this column. The values in the table represent the gross amounts that the Company is committed to pay.
- (c) *Operating Activities* - The Company has obligations under contracts for services provided by drilling rigs and completion fleets. The values in the table represent the gross amounts that HGPH is committed to pay.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

8. Subsequent Events

On December 5, 2025, the Company, along with its parent Company, HG Energy II, LLC, entered into a MIPA to sell 100% of its equity interests in HGPH to Antero, with an effective date of January 1, 2026. Under the MIPA, Antero agreed to acquire the Company's upstream assets for \$2.8 billion in cash plus the assumption of the Company's commodity hedge book, subject to customary closing adjustments. The transaction was structured as the sale of 100% of the issued and outstanding equity interests in HGPH. The transaction closed on February 3, 2026, and the Company subsequently used the proceeds to retire all outstanding debt of HGPH. In connection with the closing, the Company entered into a Transition Services Agreement (TSA) with Antero through August 2026, which Antero may elect to terminate prior to August.

Management evaluated subsequent events through April 3, 2026, the date the consolidated financial statements were available to be issued.

9. Supplemental Oil and Gas Information (Unaudited)

Net proved oil and gas reserves for the year ended December 31, 2025 were prepared by Cawley, Gillespie & Associates, Inc. utilizing data compiled by the Company. There are many uncertainties inherent in estimating proved reserve quantities, and projecting future production rates and timing of future development costs. In addition, reserve estimates of new discoveries are more imprecise than those of properties with a production history. Accordingly, these estimates are subject to change as additional information becomes available. All reserves are located in the United States.

Proved reserves are the estimated quantities of oil, condensate, NGLs, and natural gas that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known oil and gas reservoirs under existing economic and operating conditions at the end of the respective years. Proved developed reserves are those reserves expected to be recovered through existing wells with existing equipment and operating methods. The Company estimates proved reserves using a 12-month average price, calculated as the unweighted arithmetic average of the first-day-of-the-month price for each month.

Proved undeveloped reserves include drilling locations that are more than one offset location away from productive wells and are reasonably certain of containing proved reserves and which are scheduled to be drilled within five years under the Company's development plans. The Company's development plans for drilling scheduled over the next five years are subject to many uncertainties and variables, including availability of capital, future commodity prices, net cash provided by operating activities, future drilling and completion costs, and other economic factors.

The tables below set forth the changes in quantities of proved reserves and net quantities of proved developed and proved undeveloped reserves for the periods indicated. This information includes the Company's royalty and net working interest share of the reserves in oil and gas properties.

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HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

| | Natural Gas (Bcf) | NGLs (MMBbl) | Oil and Condensate (MMBbl) | Equivalents (Bcfe) |
|------------------------------------|----------------------|-----------------|----------------------------------|-----------------------|
| Proved Reserves | | | | |
| December 31, 2024 | 2,919 | 35 | 1 | 3,135 |
| Revisions | 501 | 14 | 1 | 588 |
| Extensions and discoveries | 944 | 31 | 2 | 1,137 |
| Production | (235) | (2) | - | (249) |
| December 31, 2025 | <u>4,129</u> | <u>78</u> | <u>4</u> | <u>4,611</u> |
| | | | | |
| | Natural Gas (Bcf) | NGLs (MMBbl) | Oil and Condensate (MMBbl) | Equivalents (Bcfe) |
| Proved Developed Reserves | | | | |
| December 31, 2024 | 1,894 | 9 | - | 1,946 |
| December 31, 2025 | 2,383 | 26 | 1 | 2,542 |
| Proved Undeveloped Reserves | | | | |
| December 31, 2024 | 1,025 | 26 | 1 | 1,189 |
| December 31, 2025 | <u>1,746</u> | <u>51</u> | <u>3</u> | <u>2,069</u> |

2025 Proved Reserve Changes

Significant changes in proved reserves for the year ended December 31, 2025 include the following:

- Extensions and discoveries of 1,137 Bcfe resulted from the addition of 28 Proved undeveloped (PUD) locations.
- Net upward revisions of 588 Bcfe resulted from the addition of 14 PUD locations.

Standardized Measure of Discounted Future Net Cash Flow

The standardized measure relating to proved oil and reserves was prepared in accordance with the provisions of ASC 932. Future cash inflows were computed by applying historical 12-month unweighted arithmetic average first-day-of-the-month average prices. Future prices actually received may materially differ from current prices or the prices used in the standardized measure.

Future production and development costs represent the estimated future expenditures (based on current costs) to be incurred in developing and producing the proved reserves, assuming continuation of existing economic conditions. Future income tax expenses were computed by applying statutory income tax rates to the difference between pretax net cash flows relating to the Company's proved reserves and the tax basis of proved oil and gas properties. In addition, the effects of available net operating loss carryforwards and alternative minimum tax credits were used in computing future income tax expense. The resulting annual net cash inflows were then discounted using a 10% annual rate.

HG Energy II Production Holdings, LLC and Subsidiary

Notes to Consolidated Financial Statements

The following table sets forth the standardized measure of the discounted future net cash flows attributable to the Company's proved reserves (in millions):

| <i>Year ended December 31, 2025</i> | |
|---|-----------------|
| Future cash inflows | \$ 15,453 |
| Future production costs | (6,806) |
| Future development costs | (868) |
| Future Net Cash Flows , before income tax | <u>7,779</u> |
| Future income tax expense | - |
| Future Net Cash Flows | <u>7,779</u> |
| 10% annual discount for estimated timing of cash flows | (4,480) |
| Standardized Measure of Discounted Future Net Cash Flows | <u>\$ 3,299</u> |

The Company used the following 12-month weighted-average prices to estimate its total equivalent reserves (per Mcfe):

| <i>Year ended December 31, 2025</i> | |
|-------------------------------------|----------------|
| 12-month weighted-average price | <u>\$ 3.39</u> |

Changes in Standardized Measure of Discounted Future Net Cash Flow

The changes in the standardized measure relating to proved oil and natural gas reserves, which were prepared in accordance with the provisions of ASC 932, are as follows (in millions):

| <i>Year ended December 31, 2025</i> | |
|---|-----------------|
| Sales of oil and gas, net of production costs | \$ (532) |
| Net changes in prices and production costs | 1,836 |
| Development costs incurred during the period | 298 |
| Net changes in future development costs | 25 |
| Extensions, discoveries, and other additions | 462 |
| Revisions of previous quantity estimates | 315 |
| Accretion of discount | 99 |
| Net change in income taxes | - |
| Changes in timing and other | (195) |
| Net Increase | <u>2,308</u> |
| Balance , beginning of year | <u>991</u> |
| Balance , end of year | <u>\$ 3,299</u> |

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

HG Acquisition

On February 3, 2026 (the “Closing Date”), Antero Resources Corporation (“Antero Resources”) completed the previously announced acquisition of HG Energy II Production Holdings, LLC (“HG Production”) from HG Energy II LLC (“HG Energy”) for cash consideration of approximately \$2.8 billion (the “Acquisition”), as contemplated by the Membership Interest Purchase Agreement (as amended, the “Purchase Agreement”), dated December 5, 2025, by and among Antero Resources, HG Energy, HG Production, HG Energy II Midstream Holdings, LLC and Antero Midstream Partners LP.

On January 28, 2026, Antero Resources issued \$750 million aggregate principal amount of 5.400% senior notes due February 1, 2036 (the “2036 Notes”) at a price of 99.869% of par. Additionally, on February 3, 2026, with the consummation of the Acquisition, Antero Resources entered into an unsecured three year term loan facility with an aggregate principal amount of \$1.5 billion with the lenders party thereto and Royal Bank of Canada, as administrative agent, and borrowed \$1.5 billion in a single borrowing (the “Term Loan”). The Acquisition was funded with net proceeds of the 2036 Notes, borrowings under the Term Loan, borrowings under Antero Resources’ senior unsecured revolving credit facility (the “Credit Facility”) and restricted cash (collectively, the “Financing Transactions”).

Unaudited Pro Forma Condensed Combined Financial Statements

The following unaudited pro forma condensed combined financial statements (the “pro forma financial statements”) are derived from the historical consolidated financial statements of Antero Resources and HG Production, and have been adjusted to reflect the Acquisition along with the Financing Transactions and the use of proceeds therefrom. The unaudited pro forma condensed combined balance sheet (the “pro forma balance sheet”) as of December 31, 2025 gives effect to the Acquisition and the Financing Transactions, along with the use of proceeds therefrom, as if each transaction had been completed on December 31, 2025. The unaudited pro forma condensed combined statement of operations (the “pro forma statement of operations”) for the year ended December 31, 2025 gives effect to the Acquisition and the Financing Transactions as if each transaction had been completed on January 1, 2025.

The pro forma financial statements reflect the following pro forma adjustments, based on available information and certain assumptions that Antero Resources believes are reasonable:

- the Acquisition, which was accounted for using the acquisition method of accounting, with Antero Resources identified as the accounting acquirer;
- adjustments to conform the classification of certain assets and liabilities in HG Production’s historical balance sheet to Antero Resources’ classification for similar assets and liabilities;
- the assumption of liabilities by Antero Resources for any transaction-related expenses;
- adjustments to conform the classification of expenses in HG Production’s historical statement of operations to Antero Resources’ classification for similar expenses; and
- the estimated tax impact of pro forma adjustments, including the effects of Antero Resources’ treatment of certain assets held by HG Production and its subsidiaries as like-kind replacement property in connection with a reverse like-kind exchange transaction conducted pursuant to Section 1031 of the United States Internal Revenue Code of 1986, as amended, the treasury regulations promulgated thereunder, and IRS Revenue Procedure 2000-37, 2000-2 C.B. 308 (as modified by IRS Revenue Procedure 2004-51, 2004-2 C.B. 294).

Assumptions and estimates underlying the pro forma adjustments are described in the accompanying notes, which should be read in conjunction with the pro forma financial statements. In Antero Resources’ opinion, all adjustments that are necessary to present fairly the pro forma information have been made. The historical consolidated financial statements have been adjusted in the pro forma financial statements to give effect to the Acquisition and the Financing Transactions along with the use of proceeds therefrom. These adjustments are directly attributable to the Acquisition, factually supportable and, with respect to the pro forma statement of operations, expected to have a continuing impact on the results of Antero Resources following the Acquisition.

The pro forma financial statements do not include the realization of any cost savings from operating efficiencies or synergies that might result from the Acquisition. The pro forma financial statements exclude the costs associated with subsequent integration activities related to the Acquisition. Additionally, Antero Resources anticipates that certain non-recurring charges will be incurred in connection with the Acquisition, the substantial majority of which consist of fees paid to financial, legal and accounting advisors and filing fees. Any such charge could affect the future results of the post-acquisition company in the period in which such charges are incurred; however, these costs are not expected to be incurred in any period beyond 12 months from the Closing Date. Accordingly, the pro forma statement of operations for the year ended December 31, 2025 reflects the effects of any expected non-recurring charges which are not included in the historical statements of operations of Antero Resources.

As of the date of the Form 8-K/A to which these pro forma financial statements are included as an exhibit, Antero Resources has not finalized a detailed valuation study necessary to arrive at the required final estimates of the fair value of the HG Production oil and gas properties, identifiable intangible assets acquired, if any, and liabilities assumed and the related allocations of purchase price, nor has it identified all adjustments necessary to conform HG Production's accounting policies to Antero Resources accounting policies. A final determination of the fair value of HG Production's assets and liabilities will be based on the actual oil and gas reserves and acreage that exist as of the Closing Date. As a result, the pro forma adjustments are preliminary and subject to change as additional information becomes available and additional analysis is performed. The preliminary pro forma adjustments have been made solely for the purpose of providing the unaudited pro forma financial statements presented below. Antero Resources estimated the fair value of HG Production's assets and liabilities based on reviews of HG Production's historical audited financial statements, preliminary valuation studies, discussions with HG Production's management and other due diligence procedures. Any increases or decreases in the fair value of assets acquired and liabilities assumed upon completion of the final valuation will result in adjustments to the pro forma balance sheet and/or statements of operations. The final purchase price allocation may be materially different than that reflected in the pro forma purchase price allocation presented herein.

The pro forma financial statements have been developed from and should be read in conjunction with Antero Resources' historical consolidated financial statements and the notes thereto included in Antero Resources' Annual Report on Form 10-K for the year ended December 31, 2025, and HG Production's historical audited consolidated financial statements as of and for the year ended December 31, 2025 and the notes thereto, which is attached as Exhibit 99.1 to the Form 8-K/A to which these pro forma financial statements are included as an exhibit.

ANTERO RESOURCES CORPORATION
Unaudited Pro Forma Condensed Combined Balance Sheet
As of December 31, 2025
(In thousands)

| | Historical | | Reclassification Adjustments (Note 3) | Pro Forma Adjustments (Note 3) | Antero Resources Pro Forma Combined |
|--|---------------------|---------------------------------|---|--------------------------------------|---|
| | Antero Resources | HG Production ⁽¹⁾ | | | |
| Assets | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | \$ — | 47,253 | — | (47,184)(b)(c)(d) | 69 |
| Restricted cash | 210,000 | — | — | (210,000)(b) | — |
| Accounts receivable | 33,773 | 1,073 | 680(a) | 882(b) | 36,408 |
| Accrued revenue | 473,453 | 97,936 | 3,482(a) | 13,337(b) | 588,208 |
| Derivative instruments | 68,913 | 13,213 | — | (13,213)(b) | 68,913 |
| Prepaid expenses | 14,554 | — | — | — | 14,554 |
| Current assets held for sale | 20,269 | — | — | — | 20,269 |
| Other current assets | 10,818 | — | — | — | 10,818 |
| Total current assets | 831,780 | 159,475 | 4,162 | (256,178) | 739,239 |
| Property and equipment: | | | | | |
| Oil and gas properties, at cost (successful efforts method): | | | | | |
| Unproved properties | 796,705 | — | 171,940(a) | 146,595(b) | 1,115,240 |
| Proved properties | 14,049,003 | — | 2,496,686(a) | 151,381(b) | 16,697,070 |
| Oil and natural gas properties (successful efforts method), net | | | | | |
| Other property and equipment | 113,020 | 2,050,179 | (2,050,179)(a) | — | — |
| Property, plant and equipment, net | — | 138,746 | (138,746)(a) | (152,317)(c) | 114,134 |
| Property, plant and equipment, net | 14,958,728 | 2,188,925 | 633,132 | 145,659 | 17,926,444 |
| Less accumulated depletion, depreciation and amortization | | | | | |
| Property and equipment, net | (5,753,416) | — | (633,132)(a) | 633,132(b) | (5,753,416) |
| Property and equipment, net | 9,205,312 | 2,188,925 | — | 778,791 | 12,173,028 |
| Operating leases right-of-use assets | 2,132,509 | — | — | 96,002(e) | 2,228,511 |
| Derivative instruments | 12,524 | — | — | 10,082(b) | 22,606 |
| Investment in unconsolidated affiliate | 245,653 | — | — | — | 245,653 |
| Assets held for sale | 754,737 | — | — | — | 754,737 |
| Other assets | 62,892 | 8,401 | — | (8,401)(c) | 62,892 |
| Total assets | \$ 13,245,407 | 2,356,801 | 4,162 | 620,296 | 16,226,666 |

(Continued)

ANTERO RESOURCES CORPORATION
Unaudited Pro Forma Condensed Combined Balance Sheet
As of December 31, 2025
(In thousands)

| | Historical | | Reclassification | Pro Forma | Antero Resources |
|------------------------------------|----------------------|---------------------------|------------------|--------------------|-------------------|
| | Antero | HG | Adjustments | Adjustments | Pro Forma |
| | Resources | Production ⁽¹⁾ | (Note 3) | (Note 3) | Combined |
| Liabilities and Equity | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | \$ 49,514 | 18,665 | — | (18,276)(b) | 49,903 |
| Accounts payable, related parties | 101,454 | 14,969 | — | 1,702(b) | 118,125 |
| Accrued liabilities | 338,847 | 32,428 | — | 49,881(b)(f) | 421,156 |
| Revenue distributions payable | 384,777 | 18,997 | 4,162(a) | 4,802(b) | 412,738 |
| Derivative instruments | — | — | — | 71,901(b) | 71,901 |
| Short-term lease liabilities | 516,256 | — | — | 49,053(e) | 565,309 |
| Deferred revenue, VPP | 23,502 | — | — | — | 23,502 |
| Current liabilities held for sale | 62,310 | — | — | — | 62,310 |
| Other current liabilities | 26,653 | — | — | — | 26,653 |
| Total current liabilities | <u>1,503,313</u> | <u>85,059</u> | <u>4,162</u> | <u>159,063</u> | <u>1,751,597</u> |
| Long-term liabilities: | | | | | |
| Long-term debt | 1,397,976 | 500,000 | — | 2,094,466(c)(d) | 3,992,442 |
| Deferred income tax liability, net | 907,306 | — | — | 90,807(b) | 998,113 |
| Derivative instruments | — | 53,252 | — | (35,152)(b) | 18,100 |
| Long-term lease liabilities | 1,612,288 | — | — | 46,949(f) | 1,659,237 |
| Deferred revenue, VPP | 11,946 | — | — | — | 11,946 |
| Liabilities held for sale | 39,789 | — | — | — | 39,789 |
| Other liabilities | 57,140 | 2,755 | — | 2,042(b) | 61,937 |
| Total liabilities | <u>5,529,758</u> | <u>641,066</u> | <u>4,162</u> | <u>2,358,175</u> | <u>8,533,161</u> |
| Commitments and contingencies | | | | | |
| Equity: | | | | | |
| Stockholders' equity: | | | | | |
| Preferred stock, \$0.01 par value | — | — | — | — | — |
| Common stock, \$0.01 par value | 3,085 | — | — | — | 3,085 |
| Additional paid-in capital | 5,865,447 | — | — | — | 5,865,447 |
| Members' equity | — | 1,715,735 | — | (1,715,735)(j) | — |
| Retained earnings | 1,682,295 | — | — | (22,144)(f) | 1,660,151 |
| Total stockholders' equity | <u>7,550,827</u> | <u>1,715,735</u> | <u>—</u> | <u>(1,737,879)</u> | <u>7,528,683</u> |
| Noncontrolling interests | 164,822 | — | — | — | 164,822 |
| Total equity | <u>7,715,649</u> | <u>1,715,735</u> | <u>—</u> | <u>(1,737,879)</u> | <u>7,693,505</u> |
| Total liabilities and equity | <u>\$ 13,245,407</u> | <u>2,356,801</u> | <u>4,162</u> | <u>620,296</u> | <u>16,226,666</u> |

(1) Certain of HG Production's financial statement caption names have been conformed to align with Antero Resources' historical presentation.

See accompanying notes to unaudited pro forma condensed combined financial statements. (Concluded)

ANTERO RESOURCES CORPORATION
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2025
(In thousands)

| | Historical | | Reclassification Adjustments (Note 3) | Pro Forma Adjustments (Note 3) | Antero Resources Pro Forma Combined |
|--|---------------------|---------------------------------|---|--------------------------------------|---|
| | Antero Resources | HG Production ⁽¹⁾ | | | |
| Revenue and other: | | | | | |
| Natural gas sales | \$ 2,873,241 | 714,416 | — | — | 3,587,657 |
| Natural gas liquids sales | 1,986,840 | 73,827 | — | — | 2,060,667 |
| Oil sales | 150,158 | 7,127 | — | — | 157,285 |
| Commodity derivative fair value gains | 111,049 | — | 41,801(a) | — | 152,850 |
| Interest rate derivative fair value losses | — | — | (3,862)(a) | 3,862(c) | — |
| Marketing | 125,900 | — | — | — | 125,900 |
| Amortization of deferred revenue, VPP | 25,264 | — | — | — | 25,264 |
| Gathering fee, service fee and other | — | 5,666 | (5,666)(a) | — | — |
| Other revenue and income | 3,371 | — | 5,701(a) | — | 9,072 |
| Total revenue | 5,275,823 | 801,036 | 37,974 | 3,862 | 6,118,695 |
| Operating expenses: | | | | | |
| Lease operating | 135,124 | 138,422 | (109,298)(a) | — | 164,248 |
| Gathering, compression, processing and transportation | 2,857,426 | — | 205,856(a) | — | 3,063,282 |
| Gathering fee, related party | — | 87,722 | (87,722)(a) | — | — |
| Production and ad valorem taxes | 163,135 | 38,003 | (9,299)(a) | — | 191,839 |
| Marketing | 190,206 | — | — | — | 190,206 |
| Exploration | 2,990 | — | — | — | 2,990 |
| General and administrative (including equity-based compensation expense) | 232,526 | 14,411 | 462(a) | (12,293)(c) | 235,106 |
| Depletion, depreciation and amortization | 749,675 | 146,975 | — | (3,746)(c)(g) | 892,904 |
| Impairment of property and equipment | 29,358 | 977 | — | — | 30,335 |
| Accretion of asset retirement obligations | 3,892 | 169 | — | 151(h) | 4,212 |
| Contract termination, loss contingency and settlements | 28,012 | — | — | — | 28,012 |
| Gain on sale of assets | (266) | — | (37)(a) | 37(c) | (266) |
| Other operating expense | 99 | — | — | — | 99 |
| Total operating expenses | 4,392,177 | 426,679 | (38) | (15,851) | 4,802,967 |
| Operating income | 883,646 | 374,357 | 38,012 | 19,713 | 1,315,728 |

(Continued)

ANTERO RESOURCES CORPORATION
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2025
(In thousands, except per share amounts)

| | Historical | | Reclassification Adjustments (Note 3) | Pro Forma Adjustments (Note 3) | Antero Resources Pro Forma Combined |
|--|---------------------|---------------------------------|---|--------------------------------------|---|
| | Antero Resources | HG Production ⁽¹⁾ | | | |
| Other income (expense): | | | | | |
| Interest expense, net | \$ (83,682) | (40,806) | 2,044(a) | (112,166)(c)(d) | (234,610) |
| Equity in earnings of unconsolidated affiliate | 98,484 | — | — | — | 98,484 |
| Loss on early extinguishment of debt | (3,628) | — | — | — | (3,628) |
| Transaction expense | (4,386) | — | — | (22,144)(f) | (26,530) |
| Loss on interest rate swap | — | (3,862) | 3,862(a) | — | — |
| Gain on commodity derivatives | — | 41,801 | (41,801)(a) | — | — |
| Other income | — | 2,117 | (2,117)(a) | — | — |
| Total other expense | 6,788 | (750) | (38,012) | (134,310) | (166,284) |
| Income before income taxes | 890,434 | 373,607 | — | (114,597) | 1,149,444 |
| Income tax expense | (215,867) | — | — | (57,053)(i) | (272,920) |
| Net income and comprehensive income including noncontrolling interests | 674,567 | 373,607 | — | (171,650) | 876,524 |
| Less: net income and comprehensive income attributable to noncontrolling interests | 40,149 | — | — | — | 40,149 |
| Net income and comprehensive income attributable to Antero Resources Corporation | \$ 634,418 | 373,607 | — | (171,650) | 836,375 |
| | | | | | |
| Net income per common share—basic | \$ 2.05 | — | — | — | 2.70 |
| Net income per common share—diluted | \$ 2.03 | — | — | — | 2.68 |
| | | | | | |
| Weighted average number of common shares outstanding: | | | | | |
| Basic | 309,719 | — | — | — | 309,719 |
| Diluted | 312,361 | — | — | — | 312,361 |

(1) Certain of HG Production's financial statement caption names have been conformed to align with Antero Resources' historical presentation.

See accompanying notes to unaudited pro forma condensed combined financial statements. (Concluded)

ANTERO RESOURCES CORPORATION
Notes to the Unaudited Pro Forma Condensed Combined Financial Statements

(1) Basis of Presentation

The pro forma financial statements have been derived from the historical consolidated financial statements of each of Antero Resources and HG Production. Certain of HG Production's historical amounts have been reclassified to conform to Antero Resources' financial statement presentation. The pro forma balance sheet as of December 31, 2025 gives effect to the Acquisition and the Financing Transactions, along with the use of proceeds therefrom, as if each transaction had been completed on December 31, 2025. The pro forma statement of operations for the year ended December 31, 2025 gives effect to the Acquisition and the Financing Transactions, along with the use of proceeds therefrom, as if each transaction had been completed on January 1, 2025.

The Acquisition and the Financing Transactions and the related transaction accounting adjustments are described in the accompanying notes to the pro forma financial statements. In the opinion of Antero Resources' management, all material adjustments have been made that are necessary to present fairly, in accordance with Article 11 of Regulation S-X of the SEC, the pro forma financial statements. The pro forma financial statements (i) do not purport to be indicative of the financial position or results of operations of the combined company that would have occurred if the Acquisition had occurred on the dates indicated, (ii) are not indicative of Antero Resources future financial position or results of operations and (iii) do not reflect the actual pro forma financial position of Antero Resources as of the Closing Date. In addition, future results may vary significantly from those reflected in such statements.

(2) Unaudited Pro Forma Condensed Combined Balance Sheet

The Acquisition was accounted for using the acquisition method of accounting using the accounting guidance in the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 805, *Business Combinations*. The allocation of the preliminary estimated purchase price is based upon Antero Resources' estimates of, and assumptions related to, the fair value of assets to be acquired and liabilities to be assumed as of December 31, 2025 using currently available information. Due to the fact that the unaudited pro forma financial statements have been prepared based on these preliminary estimates, the final purchase price allocation and the resulting effect on financial position and results of operations of the combined companies may be materially different from the pro forma amounts included herein. Antero Resources expects to finalize the purchase price allocation as soon as practicable.

The preliminary consideration to be transferred and the fair value of assets acquired and liabilities assumed is as follows (in thousands):

| | Preliminary Purchase Price Allocation |
|---|--|
| Cash consideration | \$ 2,804,466 |
| Fair value of assets acquired: | |
| Cash | 69 |
| Accounts receivable | 2,635 |
| Accrued revenue | 114,755 |
| Unproved properties | 318,535 |
| Proved properties | 2,648,067 |
| Other property and equipment | 1,114 |
| Operating lease right-of-use asset | 96,002 |
| Derivative instruments | 10,082 |
| Total assets acquired | 3,191,259 |
| Fair value of liabilities assumed: | |
| Accounts payable | 389 |
| Accounts payable, related parties | 16,671 |
| Accrued liabilities | 60,165 |
| Revenue distributions payable | 27,961 |
| Operating lease liability | 96,002 |
| Derivative instruments | 90,001 |
| Deferred income tax liability | 90,807 |
| Other liabilities | 4,797 |
| Total liabilities assumed | 386,793 |
| Net assets acquired and liabilities assumed | \$ 2,804,466 |

ANTERO RESOURCES CORPORATION
Notes to the Unaudited Pro Forma Condensed Combined Financial Statements

(3) Pro Forma Adjustments

The Antero Resources historical balance sheet and statement of operations as of and for the year ended December 31, 2025 are derived from the audited consolidated financial statements included within Antero Resources' Annual Report on Form 10-K for the year ended December 31, 2025. The HG Production historical balance sheet and statement of operations as of and for the year ended December 31, 2025 are derived from HG Production's audited consolidated financial statements for the year ended December 31, 2025, which is attached as Exhibit 99.1 to the Form 8-K/A to which these pro forma financial statements are included as an exhibit.

The following adjustments have been made to the accompanying pro forma financial statements:

(a) The following reclassifications were made as a result of the transaction to conform to Antero Resources presentation:

Pro Forma Balance Sheet as of December 31, 2025

- Reclassification of \$1 million from revenue distributions payable to accounts receivable;
- Reclassification of \$3 million from revenue distribution payable to accrued revenue;
- Reclassification of \$172 million from oil and natural gas properties (successful efforts method), net to unproved properties;
- Reclassification of \$2.5 billion from oil and natural gas properties (successful efforts method), net to proved properties;
- Reclassification of \$153 million from property, plant and equipment, net to property and equipment;
- Reclassification of \$(618) million from oil and natural gas properties (successful efforts method), net to accumulated depletion, depreciation and amortization;
- Reclassification of \$(15) million from property, plant and equipment, net to accumulated depletion, depreciation and amortization;

Pro Forma Statement of Operations for the year ended December 31, 2025

- Reclassification of \$42 million from gain on commodity derivatives to commodity derivative fair value gains;
- Reclassification of \$(4) million from loss on interest rate swap to interest rate derivative fair value losses;
- Reclassification of \$6 million from gathering fee, service fee and other revenue to other revenue and income;
- Reclassification of \$118 million from lease operating to gathering, compression, processing and transportation expense;
- Reclassification of \$88 million from gathering fee, related party to gathering, compression, processing and transportation expense;
- Reclassification of \$(9) million from lease operating to production and ad valorem taxes;
- Reclassification of less than \$1 million from lease operating to general and administrative expense;
- Reclassification of \$2 million from other income to interest expense, net.

ANTERO RESOURCES CORPORATION
Notes to the Unaudited Pro Forma Condensed Combined Financial Statements

- (b) Pro forma adjustments to allocate the estimated fair value of consideration transferred to the estimated fair value of the assets acquired and liabilities assumed resulted in the following purchase price allocation adjustments:
- Decreases of \$2.6 billion and \$210 million to cash and cash equivalents and restricted cash, respectively, to reflect the cash consideration of the Acquisition (see Note 2 above);
 - Increases of \$147 million and \$151 million in the net book basis of unproved and proved oil and gas properties, respectively, to reflect each at fair value;
 - Increase of \$633 million to accumulated depletion, depreciation and amortization to eliminate HG Production's historical accumulated depletion, depreciation and amortization;
 - Increases of \$13 million, \$10 million and \$1 million to accrued revenue, derivative instruments assets (long-term) and accounts receivable, respectively, to reflect each at fair value;
 - Decrease of \$13 million to derivative instruments assets (current) to reflect at fair value;
 - Increase of \$90 million to deferred income tax liability, net to reflect the fair value of Antero Resources' treatment of certain assets held by HG Production and its subsidiaries as like-kind replacement property in connection with a reverse like-kind exchange transaction conducted pursuant to Section 1031 of the United States Internal Revenue Code of 1986, as amended, the treasury regulations promulgated thereunder, and IRS Revenue Procedure 2000-37, 2000-2 C.B. 308 (as modified by IRS Revenue Procedure 2004-51, 2004-2 C.B. 294);
 - Increases of \$72 million, \$28 million, \$5 million, \$2 million and \$2 million to derivative instruments liabilities (current), accrued liabilities, revenue distributions payable, accounts payable, related parties and other liabilities, respectively, to reflect at fair value;
 - Decreases of \$35 million and \$18 million to derivative instruments liabilities (long-term) and accounts payable, respectively, to reflect each at fair value;
- (c) Pro forma adjustments to eliminate certain accounts attributable to HG Production, which Antero Resources is not acquiring or assuming including:
- Elimination of \$47 million of cash and cash equivalents;
 - Elimination of \$152 million of other property and equipment;
 - Elimination of \$500 million of HG Production's long-term debt which was not conveyed with the Acquisition;
 - Elimination of \$8 million of debt issuance costs within other assets related to HG Production's long-term debt which was not conveyed with the Acquisition;
 - Elimination of \$41 million of interest expense related to the historical interest expense on HG Production's long-term debt which was not conveyed with the Acquisition;
 - Elimination of \$12 million of general and administrative expenses related to management services provided to HG Production which were not conveyed with the Acquisition;
 - Elimination of \$4 million of interest rate derivative fair value losses related to an interest rate derivative instrument which was not conveyed with the Acquisition;
 - Elimination of \$4 million of depreciation expense related to property, plant and equipment which was not conveyed with the Acquisition;

ANTERO RESOURCES CORPORATION
Notes to the Unaudited Pro Forma Condensed Combined Financial Statements

- Elimination of gain on sale of assets which were not conveyed with the Acquisition.
- (d) Pro forma adjustments to reflect the impact of the Financing Transactions:
- Increases in cash and cash equivalents and long-term debt of \$742 million for the issuance of \$750 million aggregate principal of the 2036 Notes, net of \$8 million of debt issuance costs;
 - Increases in cash and cash equivalents and long-term debt of \$1.5 billion for borrowings under the Term Loan, net of \$10 million of debt issuance costs;
 - Increases in cash and cash equivalents and long-term debt of \$363 million for the additional borrowings under the Credit Facility;
 - Increase in interest expense of \$79 million related to interest on the Term Loan, assuming an interest rate on the Closing Date of 5.27%. A 0.125% change in the variable interest rate of the Term Loan would increase or decrease interest expense presented in the pro forma statement of operations by \$2 million;
 - Increase in interest expense of \$41 million related to additional interest on the 2036 Notes, assuming an effective interest rate of 5.53%;
 - Increase in interest expense of \$29 million related to interest on the additional borrowings on the Credit Facility, including a \$210 million borrowing for payment of the Acquisition deposit to HG Energy upon execution of the Purchase Agreement that was reflected as restricted cash as of December 31, 2025, assuming a weighted average interest rate on the Closing Date of 5.27%. A 0.125% change in the variable interest rate of the Credit Facility would increase or decrease interest expense presented in the pro forma statement of operations by less than \$1 million;
 - Increase in interest expense of \$4 million related to the additional amortization of debt issuance costs incurred on the Term Loan.
- (e) Pro forma adjustment to conform to Antero Resources' accounting policy on the capitalization of certain oil and gas service agreements as operating leases.
- (f) Pro forma adjustment for estimated transaction costs of \$22 million incurred related to the Acquisition, including underwriting, banking, legal and accounting fees. These costs are not reflected in the historical December 31, 2025 financial statements of Antero Resources or HG Production, but are reflected in the pro forma balance sheet as of December 31, 2025 as an increase to accrued liabilities and a decrease to retained earnings, and in the pro forma statement of operations for the year ended December 31, 2025 as an increase to transaction expenses as they relate directly to the Acquisition and will be expensed by Antero Resources as incurred. These costs are not expected to be incurred in any period beyond 12 months from the Closing Date.
- (g) Pro forma adjustment to depletion, depreciation and amortization of less than \$1 million, calculated in accordance with the successful efforts method of accounting and based on the preliminary fair value and reserves volumes of the proved properties acquired.
- (h) Pro forma adjustment to accretion expense of less than \$1 million in relation to the fair value of the asset retirement obligations acquired.
- (i) Pro forma adjustments to income tax expense based upon a statutory federal and blended state tax rate of approximately 22% for the year ended December 31, 2025. The adjustment includes:
- Increase of \$82 million to income tax expense to reflect the application of the statutory federal and blended state rate to HG Production's historically reported income before income taxes which did not historically include income tax expense due to HG Production's status as a limited liability company not subject to entity-level federal or state income taxation;

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Decrease of \$25 million to income tax expense to reflect the tax effect of the transaction accounting adjustments above on the pro forma statement of operations, to the extent the amounts are expected to be deductible or taxable, as appropriate.

(j) Pro forma adjustment to eliminate HG Production's historical equity balance in accordance with the acquisition method of accounting.

(4) Supplemental Pro Forma Oil and Gas Reserves Information

The following tables present the estimated pro forma combined changes in the quantities of proved reserves during the year ended December 31, 2025, as well as proved developed and proved undeveloped reserves as of December 31, 2025. The pro forma reserve information set forth below gives effect to the Acquisition as if the Acquisition had been completed on January 1, 2025.

| | Natural Gas (Bcf) | | |
|---|--|-------------------------------------|-------------------------------|
| | Antero Resources Historical | HG Production Historical | Pro Forma Combined |
| Proved reserves: | | | |
| December 31, 2024 | 10,603 | 2,919 | 13,522 |
| Revisions | 1,140 | 501 | 1,641 |
| Extensions, discoveries and other additions | 553 | 944 | 1,497 |
| Acquisition of reserves | 282 | — | 282 |
| Production | (808) | (235) | (1,043) |
| December 31, 2025 | <u>11,770</u> | <u>4,129</u> | <u>15,899</u> |
| Proved developed reserves: | | | |
| December 31, 2024 | 7,876 | 1,894 | 9,770 |
| December 31, 2025 | 8,388 | 2,383 | 10,771 |
| Proved undeveloped reserves: | | | |
| December 31, 2024 | 2,727 | 1,025 | 3,752 |
| December 31, 2025 | 3,382 | 1,746 | 5,128 |

| | NGLs (MBbls) | | |
|---|--|-------------------------------------|-------------------------------|
| | Antero Resources Historical | HG Production Historical | Pro Forma Combined |
| Proved reserves: | | | |
| December 31, 2024 | 1,193 | 34 | 1,227 |
| Revisions | 32 | 14 | 46 |
| Extensions, discoveries and other additions | 18 | 31 | 49 |
| Acquisition of reserves | 37 | — | 37 |
| Production | (72) | (2) | (74) |
| December 31, 2025 | <u>1,208</u> | <u>77</u> | <u>1,285</u> |
| Proved developed reserves: | | | |
| December 31, 2024 | 966 | 9 | 975 |
| December 31, 2025 | 1,003 | 26 | 1,029 |
| Proved undeveloped reserves: | | | |
| December 31, 2024 | 227 | 26 | 253 |
| December 31, 2025 | 205 | 51 | 256 |

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| | Oil (MBbls) | | |
|---|-----------------------------------|-----------------------------|-----------------------|
| | Antero Resources Historical | HG Production Historical | Pro Forma Combined |
| Proved reserves: | | | |
| December 31, 2024 | 23 | 1 | 24 |
| Revisions | 1 | 1 | 2 |
| Extensions, discoveries and other additions | 1 | 2 | 3 |
| Production | (3) | — | (3) |
| December 31, 2025 | <u>22</u> | <u>4</u> | <u>26</u> |
| Proved developed reserves: | | | |
| December 31, 2024 | 13 | — | 13 |
| December 31, 2025 | 12 | 1 | 13 |
| Proved undeveloped reserves: | | | |
| December 31, 2024 | 10 | 1 | 11 |
| December 31, 2025 | 10 | 3 | 13 |

| | Total (Bcfe) | | |
|---|-----------------------------------|-----------------------------|-----------------------|
| | Antero Resources Historical | HG Production Historical | Pro Forma Combined |
| Proved reserves: | | | |
| December 31, 2024 | 17,903 | 3,135 | 21,038 |
| Revisions | 1,331 | 588 | 1,919 |
| Extensions, discoveries and other additions | 665 | 1,137 | 1,802 |
| Acquisition of reserves | 506 | — | 506 |
| Production | (1,256) | (249) | (1,505) |
| December 31, 2025 | <u>19,149</u> | <u>4,611</u> | <u>23,760</u> |
| Proved developed reserves: | | | |
| December 31, 2024 | 13,747 | 1,946 | 15,693 |
| December 31, 2025 | 14,478 | 2,542 | 17,020 |
| Proved undeveloped reserves: | | | |
| December 31, 2024 | 4,156 | 1,189 | 5,345 |
| December 31, 2025 | 4,671 | 2,069 | 6,740 |

The following table sets forth the Standardized Measure of the discounted future net cash flows attributable to the pro forma combined proved reserves (in millions):

| | As of December 31, 2025 | | | |
|--|--------------------------------|-----------------------------|--------------------------|-----------------------|
| | Antero Resources Historical | HG Production Historical | Pro Forma Adjustments | Pro Forma Combined |
| Future cash inflows | \$ 71,879 | 15,453 | — | 87,332 |
| Future production costs | (46,541) | (6,806) | — | (53,347) |
| Future development costs | (2,560) | (868) | — | (3,428) |
| Future net cash flows before income tax | 22,778 | 7,779 | — | 30,557 |
| Future income tax expense ⁽¹⁾ | (4,017) | — | (1,282) | (5,299) |
| Future net cash flows | 18,761 | 7,779 | (1,282) | 25,258 |
| 10% annual discount for estimated timing of cash flows | (10,651) | (4,480) | 731 | (14,400) |
| Standardized measure of discounted future net cash flows | <u>\$ 8,110</u> | <u>3,299</u> | <u>(551)</u> | <u>10,858</u> |

(1) Pro forma adjustment to future income tax expense of HG Production was calculated based on Antero Resources' tax assumptions as HG Production was a limited liability company not subject to entity-level federal and state income taxation as of and for the years ended December 31, 2024 and 2025.

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The following table summarizes the changes in the Standardized Measure relating to the pro forma combined proved reserves, which were prepared in accordance with the provisions of FASB ASC Topic 932, *Extractive Industries—Oil and Gas* (in millions):

| | Year Ended December 31, 2025 | | | |
|--|--|-------------------------------------|----------------------------------|-------------------------------|
| | Antero Resources Historical | HG Production Historical | Pro Forma Adjustments | Pro Forma Combined |
| Sales of oil and gas, net of productions costs | \$ (1,855) | (532) | — | (2,387) |
| Net changes in prices and production costs | 6,053 | 1,836 | — | 7,889 |
| Development costs incurred during the period | 511 | 298 | — | 809 |
| Net changes in future development costs | (207) | 25 | — | (182) |
| Extensions, discoveries and other additions | 160 | 462 | — | 622 |
| Acquisitions of reserves | 284 | — | — | 284 |
| Revisions of previous quantity estimates | 769 | 315 | — | 1,084 |
| Accretion of discount | 383 | 99 | — | 482 |
| Net change in income taxes ⁽¹⁾ | (1,233) | — | (551) | (1,784) |
| Changes in timing and other | (250) | (195) | — | (445) |
| Net increase | 4,615 | 2,308 | (551) | 6,372 |
| Beginning of year | 3,495 | 991 | — | 4,486 |
| End of year | <u>\$ 8,110</u> | <u>3,299</u> | <u>(551)</u> | <u>10,858</u> |

(1) Pro forma adjustment to net change in income taxes of HG Production was calculated based on Antero Resources' tax assumptions as HG Production was a limited liability company not subject to entity-level federal and state income taxation as of and for the year ended December 31, 2025.