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Report of Independent Auditors

To the Management and Board of Directors of Diversified Energy Company

Opinion

We have audited the accompanying consolidated financial statements of Diversified Energy Company and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in stockholders' equity and of cash flows for each of the three years in the period ended December 31, 2025, including the related notes (collectively referred to as 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 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' 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 International Financial Reporting Standards as issued by the International Accounting Standards Board, 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 responsible for assessing the Company's ability to continue as a going concern for at least, but not limited to, twelve months from the end of the reporting period, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 auditors' 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 US 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 US 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.

PricewaterhouseCoopers LLP

Birmingham, Alabama
April 10, 2026

Consolidated Statements of Comprehensive Income (Loss)

(Amounts in thousands, except share, per share and per unit data)

	Notes	Year Ended		
		December 31, 2025	December 31, 2024	December 31, 2023
Revenue	6	\$ 1,611,455	\$ 794,841	\$ 868,263
Operating expenses	7	(737,136)	(428,902)	(440,562)
Depreciation, depletion and amortization	7	(383,597)	(256,484)	(224,546)
Gross profit		490,722	109,455	203,155
General and administrative expenses	7	(162,038)	(129,119)	(119,722)
Allowance for expected credit losses	7	(4,187)	(101)	(8,478)
Gain (loss) on natural gas and oil properties and equipment	10,11	73,524	25,678	24,146
Gain (loss) on sale of equity interest	5	—	(7,375)	18,440
Unrealized gain (loss) on investment	5	6,355	(4,013)	4,610
Gain (loss) on derivative financial instruments	13	217,687	(37,551)	1,080,516
Impairment of proved properties	10	—	—	(41,616)
Operating profit (loss)		622,063	(43,026)	1,161,051
Finance costs	21	(207,731)	(137,643)	(134,166)
Accretion of asset retirement obligation	19	(50,524)	(30,868)	(26,926)
Loss on early retirement of debt	21	(39,485)	(14,753)	—
Other income (expense)	24	3,270	2,338	385
Income (loss) before taxation		327,593	(223,952)	1,000,344
Income tax benefit (expense)	8	36,076	136,951	(240,643)
Net income (loss)		363,669	(87,001)	759,701
Other comprehensive income (loss)		352	(1,822)	(270)
Total comprehensive income (loss)		\$ 364,021	\$ (88,823)	\$ 759,431
Net income (loss) attributable to:				
Owners of Diversified Energy Company		\$ 362,885	\$ (88,272)	\$ 758,018
Noncontrolling interest		784	1,271	1,683
Net income (loss)		\$ 363,669	\$ (87,001)	\$ 759,701
Weighted average shares outstanding - basic	9	72,969,687	48,031,916	47,165,380
Weighted average shares outstanding - diluted	9	74,478,592	48,031,916	47,514,521
Earnings (loss) per share - basic	9	\$ 4.97	\$ (1.84)	\$ 16.07
Earnings (loss) per share - diluted	9	\$ 4.87	\$ (1.84)	\$ 15.95

The notes on pages 8 to 45 are an integral part of the Company Financial Statements.

Consolidated Balance Sheets

(Amounts in thousands, except share, per share and per unit data)

	Notes	December 31, 2025	December 31, 2024
ASSETS			
Non-current assets:			
Natural gas and oil properties, net	10	\$ 4,958,759	\$ 2,905,702
Property, plant and equipment, net	11	506,213	449,540
Intangible assets	12	10,799	15,180
Restricted cash	3	93,663	34,843
Derivative financial instruments	13	81,702	28,439
Deferred tax assets	8	269,216	259,287
Other noncurrent assets	15	14,436	6,270
Total noncurrent assets		\$ 5,934,788	\$ 3,699,261
Current assets:			
Trade receivables, net	14	\$ 408,399	\$ 234,421
Cash and cash equivalents	3	29,697	5,990
Restricted cash	3	21,750	11,426
Derivative financial instruments	13	153,150	33,759
Other current assets	15	37,165	18,668
Total current assets		\$ 650,161	\$ 304,264
Total assets		\$ 6,584,949	\$ 4,003,525
EQUITY AND LIABILITIES			
Shareholders' equity:			
Share capital	16	\$ 769	\$ 13,762
Share premium	16	1,451,487	1,262,711
Merger reserve		247,188	—
Treasury reserve		(211,324)	(119,006)
Share based payment and other reserves		26,040	20,170
Retained earnings (accumulated deficit)		(451,214)	(724,960)
Equity attributable to Owners of Diversified Energy Company:		1,062,946	452,677
Noncontrolling interests	5	10,932	11,879
Total equity		\$ 1,073,878	\$ 464,556
Noncurrent liabilities:			
Asset retirement obligations	19	\$ 1,233,315	\$ 642,142
Leases	20	51,537	30,824
Borrowings	21	2,704,447	1,483,779
Deferred tax liability	8	10,380	8,011
Derivative financial instruments	13	440,567	608,869
Other noncurrent liabilities	23	14,969	5,384
Total noncurrent liabilities		\$ 4,455,215	\$ 2,779,009
Current liabilities:			
Trade and other payables	22	\$ 81,814	\$ 35,013
Taxes payable		53,722	33,498
Borrowings	21	236,553	209,463
Leases	20	24,167	13,776
Derivative financial instruments	13	155,959	163,676
Other current liabilities	23	503,641	304,534
Total current liabilities		\$ 1,055,856	\$ 759,960
Total liabilities		\$ 5,511,071	\$ 3,538,969
Total equity and liabilities		\$ 6,584,949	\$ 4,003,525

The notes on pages 8 to 45 are an integral part of the Company Financial Statements.

Consolidated Statement of Changes in Stockholders' Equity

(Amounts in thousands, except share, per share and per unit data)

	Notes	Share Capital	Share Premium	Merger Reserve	Treasury Reserve	Share Based Payment and Other Reserves	Retained Earnings (Accumulated Deficit)	Equity Attributable to Owners of Diversified Energy Company	Noncontrolling Interest	Total Equity
Balance as of January 1, 2023		\$11,503	\$1,052,959	\$ —	\$(100,828)	\$ 17,650	\$ (1,133,972)	(152,688)	\$ 14,964	\$ (137,724)
Net income (loss)		—	—	—	—	—	758,018	758,018	1,683	759,701
Other comprehensive income (loss)		—	—	—	—	—	(270)	(270)	—	(270)
Total comprehensive income (loss)		—	—	—	—	—	757,748	757,748	1,683	759,431
Issuance of share capital (equity placement)	16	1,555	155,233	—	—	—	—	156,788	—	156,788
Issuance of share capital (equity compensation)		—	—	—	—	6,037	(2,990)	3,047	—	3,047
Issuance of EBT shares (equity compensation)	16	—	—	—	9,406	(9,406)	—	—	—	—
Repurchase of shares (share buyback program)	16	(161)	—	—	(11,048)	161	—	(11,048)	—	(11,048)
Dividends	18	—	—	—	—	—	(168,041)	(168,041)	—	(168,041)
Distributions to noncontrolling interest owners		—	—	—	—	—	—	—	(4,043)	(4,043)
Transactions with shareholders		1,394	155,233	—	(1,642)	(3,208)	(171,031)	(19,254)	(4,043)	(23,297)
Balance as of December 31, 2023		\$12,897	\$1,208,192	\$ —	\$(102,470)	\$ 14,442	\$ (547,255)	\$ 585,806	\$ 12,604	\$ 598,410
Net income (loss)		—	—	—	—	—	(88,272)	(88,272)	1,271	(87,001)
Other comprehensive income (loss)		—	—	—	—	—	(1,822)	(1,822)	—	(1,822)
Total comprehensive income (loss)		—	—	—	—	—	(90,094)	(90,094)	1,271	(88,823)
Issuance of share capital (acquisition consideration)	16	1,185	54,519	—	—	—	—	55,704	—	55,704
Issuance of share capital (equity compensation)		—	—	—	—	10,002	(3,747)	6,255	—	6,255
Issuance of EBT shares (equity compensation)	16	—	—	—	4,594	(4,594)	—	—	—	—
Repurchase of shares (EBT)	16	—	—	—	(5,229)	—	—	(5,229)	—	(5,229)
Repurchase of shares (share buyback program)	16	(320)	—	—	(15,901)	320	—	(15,901)	—	(15,901)
Dividends	18	—	—	—	—	—	(83,864)	(83,864)	—	(83,864)
Distributions to noncontrolling interest owners		—	—	—	—	—	—	—	(1,996)	(1,996)
Transactions with shareholders		865	54,519	—	(16,536)	5,728	(87,611)	(43,035)	(1,996)	(45,031)
Balance as of December 31, 2024		\$13,762	\$1,262,711	\$ —	\$(119,006)	\$ 20,170	\$ (724,960)	\$ 452,677	\$ 11,879	\$ 464,556
Net income (loss)		—	—	—	—	—	362,885	362,885	784	363,669
Other comprehensive income (loss)		—	—	—	—	—	352	352	—	352
Total comprehensive income (loss)		—	—	—	—	—	363,237	363,237	784	364,021
Issuance of share capital (equity placement)	16	2,130	115,338	—	—	—	—	117,468	—	117,468
Issuance of share capital (acquisition consideration)	16	5,526	53,942	247,188	—	—	—	306,656	—	306,656
Issuance of share capital (equity compensation)		—	—	—	—	12,615	(4,486)	8,129	—	8,129
Issuance of EBT shares (equity compensation)	16	—	—	—	7,898	(7,898)	—	—	—	—
Repurchase of shares (EBT)	16	—	—	—	(22,700)	—	—	(22,700)	—	(22,700)
Repurchase of shares (share buyback program)	16	(1,153)	—	—	(77,516)	1,153	—	(77,516)	—	(77,516)
Dividends	18	—	—	—	—	—	(85,005)	(85,005)	—	(85,005)
Distributions to noncontrolling interest owners		—	—	—	—	—	—	—	(1,731)	(1,731)
U.S. Domestication	16	(19,496)	19,496	—	—	—	—	—	—	—
Transactions with shareholders		(12,993)	188,776	247,188	(92,318)	5,870	(89,491)	247,032	(1,731)	245,301
Balance as of December 31, 2025		\$ 769	\$1,451,487	\$ 247,188	\$(211,324)	\$ 26,040	\$ (451,214)	\$ 1,062,946	\$ 10,932	\$ 1,073,878

The notes on pages 8 to 45 are an integral part of the Company Financial Statements.

Consolidated Statements of Cash Flows

(Amounts in thousands, except share, per share and per unit data)

	Notes	December 31, 2025	December 31, 2024	December 31, 2023
Cash flows from operating activities:				
Net income (loss)		\$ 363,669	\$ (87,001)	\$ 759,701
Cash flows from operations reconciliation:				
Depreciation, depletion and amortization	7	383,597	256,484	224,546
Accretion of asset retirement obligations	19	50,524	30,868	26,926
Impairment of proved properties	10	—	—	41,616
Income tax (benefit) expense	8	(36,076)	(136,951)	240,643
(Gain) loss on fair value adjustments of unsettled financial instruments	13	(193,843)	189,030	(905,695)
Asset retirement costs	19	(28,088)	(8,375)	(5,961)
(Gain) loss on natural gas and oil properties and equipment	5,10,11	(73,524)	(25,678)	(24,146)
(Gain) loss on sale of equity interest	5	—	7,375	(18,440)
Unrealized (gain) loss on investment	5	(6,355)	4,013	(4,610)
Finance costs	21	207,731	137,643	134,166
Loss on early retirement of debt		39,485	14,753	—
Hedge modifications	13	—	—	26,686
Non-cash equity compensation	17	10,398	8,286	6,494
Working capital adjustments:				
Change in trade receivables and other current assets	14	(1,589)	(27,555)	104,571
Change in other non-current assets	15	(4,273)	(923)	1,661
Change in trade and other payables and other current liabilities	22	(32,387)	(6,204)	(183,530)
Change in other non-current liabilities	23	(4,139)	1,319	(6,236)
Cash generated from operations				
		675,130	357,084	418,392
Cash paid for income taxes		(3,479)	(11,421)	(8,260)
Net cash provided by operating activities				
		671,651	345,663	410,132
Cash flows from investing activities:				
Consideration for business acquisitions, net of cash acquired	5	(192,858)	—	—
Consideration for asset acquisitions	5	(396,843)	(288,489)	(262,329)
Proceeds from divestitures	5	160,098	59,048	95,749
Expenditures on natural gas and oil properties and equipment	10,11	(184,600)	(52,100)	(74,252)
Proceeds on disposals of natural gas and oil properties and equipment	10,11	11,488	9,675	4,083
Deferred consideration payments		—	(1,050)	(2,620)
Net cash used in investing activities				
		(602,715)	(272,916)	(239,369)
Cash flows from financing activities:				
Repayment of borrowings	21	(2,715,431)	(1,653,489)	(1,547,912)
Proceeds from borrowings	21	3,172,532	1,844,768	1,537,230
Prepayment charge on early retirement of debt	21	—	(1,752)	—
Cash paid for interest	21	(201,310)	(123,141)	(116,784)
Debt issuance costs	21	(35,166)	(20,267)	(13,776)
Decrease (increase) in restricted cash	3	(7,226)	(3,864)	11,792
Hedge modifications associated with ABS Notes	13, 21	(171,134)	—	(6,376)
Proceeds from equity issuance, net	16	117,468	—	156,788
Proceeds from lease modifications	20	—	8,568	—
Principal element of lease payments	20	(18,773)	(14,343)	(12,169)
Dividends to shareholders	18	(85,005)	(83,864)	(168,041)
Distributions to noncontrolling interest owners		(1,731)	(1,996)	(4,043)
Repurchase of shares by the EBT	16	(22,700)	(5,229)	—
Repurchase of shares	16	(76,753)	(15,901)	(11,048)
Net cash used in financing activities				
		(45,229)	(70,510)	(174,339)
Net change in cash and cash equivalents				
		23,707	2,237	(3,576)
Cash and cash equivalents, beginning of period		5,990	3,753	7,329
Cash and cash equivalents, end of period				
		\$ 29,697	\$ 5,990	\$ 3,753

The notes on pages 8 to 45 are an integral part of the Company Financial Statements.

Notes to the Company Financial Statements

Note 1 - General Information

Diversified Energy Company, a Delaware corporation, and its wholly owned subsidiaries (collectively, the "Company") is an independent energy company engaged in the production, transportation and marketing of natural gas, oil and NGLs. The Company's assets are located in the United States within the following geographical operating areas:

- Appalachian Region, which spans Ohio, Pennsylvania, Virginia, West Virginia, Kentucky, Tennessee and Alabama;
- Central Region, which includes Texas, Oklahoma, New Mexico, Louisiana and Arkansas;
- Other, which includes Florida and Wyoming.

The Company is incorporated in the United States. Previously, the Company operated as a public limited company under UK law, with its shares listed on the London Stock Exchange ("LSE") since 2017. In December 2023, the Company's shares were also admitted to trading on the New York Stock Exchange (NYSE) under the ticker "DEC." Following the Company's U.S. Domestication, its principal trading market is now the NYSE, although its shares continue to be listed on the LSE under the Equity Shares (International Commercial Companies Secondary Listing) category.

On November 21, 2025, Diversified Energy Company PLC, a public company limited by shares, incorporated under the laws of England and Wales, completed the U.S. Domestication, which was approved by the shareholders of Diversified Energy Company PLC, resulting in Diversified Energy Company, a Delaware corporation, becoming our publicly traded parent company (the "U.S. Domestication"). Diversified Energy Company PLC's stockholders and the High Court of Justice of England and Wales approved the scheme of arrangement effecting the U.S. Domestication. Effective after the close of market trading on November 21, 2025, all issued and outstanding common stock of Diversified Energy Company PLC were exchanged on a one-for-one basis for newly issued shares of corresponding common stock of Diversified Energy Company, and all issued and outstanding equity awards of Diversified Energy Company PLC were assumed by Diversified Energy Company and were converted into rights to acquire Diversified Energy Company shares of common stock on the same terms. The common stock of Diversified Energy Company began trading on November 24, 2025 (the first trading day following the U.S. Domestication), and the Company's trading symbol on NYSE remained unchanged as "DEC."

Note 2 - Basis of Preparation

Basis of Preparation

The Company's consolidated financial statements (the "Company Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The principal accounting policies set out below have been applied consistently throughout the year and are consistent with prior year unless otherwise stated.

Unless otherwise stated, the Company Financial Statements are presented in U.S. Dollars, which is the Company's subsidiaries' functional currency and the currency of the primary economic environment in which the Company operates, and all values are rounded to the nearest thousand dollars except share, per share and per unit amounts and where otherwise indicated.

Transactions in foreign currencies are translated into U.S. Dollars at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the date of the Consolidated Statement of Financial Position. Where the Company's subsidiaries have a different functional currency, their results and financial position are translated into the presentation currency as follows:

- Assets and liabilities in the Consolidated Statement of Financial Position are translated at the closing rate at the date of that Consolidated Statement of Financial Position;
- Income and expenses in the Consolidated Statement of Comprehensive Income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are reflected within other comprehensive income in the Consolidated Statement of Comprehensive Income.

The Company Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) held at fair value through profit or loss or through other comprehensive income.

Segment Reporting

The Company is an independent owner and operator of producing natural gas and oil wells with properties located in the states of Tennessee, Kentucky, Virginia, West Virginia, Ohio, Pennsylvania, Oklahoma, Texas and Louisiana. The Company's strategy is to acquire long-life producing assets, efficiently operate those assets to generate free cash flow for shareholders and then to retire assets safely and responsibly at the end of their useful life. The Company's assets consist of natural gas and oil wells, pipelines and a network of gathering lines and compression facilities which are complementary to the Company's assets.

In accordance with IFRS the Company establishes segments on the basis on which those components of the Company are evaluated regularly by the chief executive officer, the Company's chief operating decision maker ("CODM"), when deciding how to allocate resources and in assessing performance. When evaluating performance as well as when acquiring and managing assets the CODM does so in a consolidated and complementary fashion to vertically integrate and improve margins. Accordingly, when determining operating segments under IFRS 8, the Company has identified one reportable segment that produces and transports natural gas, NGLs and oil in the U.S.

Going Concern

The Company Financial Statements have been prepared on the going concern basis, assuming the continuation of normal business activities, the realization of assets, and the settlement of liabilities in the ordinary course of business. After reviewing the Company's overall position and outlook, the Company believes it is adequately funded to continue operating as a going concern for at least the next twelve months from the date of the publication of these financial statements.

The Company diligently oversees and manages its liquidity risk. While the Company's financial outlook is primarily evaluated through the annual business planning process, it is also closely monitored on a monthly basis. This involves regular Board discussions, led by senior leadership, to assess the Company's current performance and future outlook. The business planning process produces key performance objectives, an assessment of the

Company's primary risks, the anticipated operational outlook, and a set of financial forecasts that consider the available funding sources (the "Base Plan").

The Base Plan was formed on key assumptions that support the business planning process. These assumptions include:

- Projected operating cash flows are calculated based on a production profile that aligns with current operating results and observed decline rates;
- Assumes commodity prices align with the current forward curve, taking into account basis differentials;
- Operating cost levels remain consistent with historical trends;
- The financial impact of our current hedging contracts for the assessment period, covering approximately 82% and 73% of total production volumes for the years ending December 31, 2026 and 2027, respectively; and
- The scenario also accounts for the scheduled principal and interest payments on our existing debt arrangements.

The Company also evaluates various scenarios around the Base Plan, focusing on more severe but plausible downside impacts of the principal risks, both individually and collectively. They also consider the additional capital requirements these downside scenarios might impose. These scenarios include:

Scenario 1: Cyclically low gas prices for a year, with Henry Hub prices at \$2.00 per MMBtu before returning to strip pricing, reflecting historically observed market conditions.

Scenario 2: Considered the impact of climate change by assuming a two-week period of lost production in our East Texas/Louisiana region, which is prone to hurricanes, due to a natural disaster (assumed to occur once each year during the assessment period).

Scenario 3: Considered the impact of climate change by assuming a two-week period of lost production in our Appalachian region (assumption of lost production affecting 25% of the region), which is prone to flooding, due to a natural disaster (assumed to occur once each year during the assessment period).

Under these downside sensitivity scenarios, the Company continues to meet its working capital requirements, primarily consisting of derivative liabilities. These liabilities, when settled, will be funded using the higher commodity revenues from which they were derived. Additionally, the Company will continue to meet the covenant requirements under its Credit Facility and other existing borrowing instruments.

The Company assess the potential impact of these principal risks on its prospects within the assessment period and evaluates opportunities to actively mitigate the risk of these severe but plausible downside scenarios. In addition to modeling downside going concern scenarios, the Board has stress-tested the model to determine the extent of downturn that would result in a breach of covenants. Assuming similar levels of cash conversion as seen in 2025, a significant decline in production volume and pricing, well beyond historical experiences, would need to persist throughout the going concern period for a covenant breach to occur, which is considered very unlikely.

In addition to the scenarios mentioned, the Company also considered the current geopolitical environment and the inflationary pressures affecting the U.S., which it is closely monitoring. Despite modeling specific hypothetical scenarios, the Company believes that the impact of these events will largely continue to be reflected in commodity markets, extending the recent volatility. The Company views commodity price risk a principal risk and will continue to actively monitor and mitigate this risk through its hedging program.

Based on this assessment, the Company has reviewed its overall position and outlook and believes it is sufficiently funded to operate as a going concern for the next twelve months from the date of the publication of the Company Financial Statements.

Basis of Consolidation

Companies included in the Company Financial Statements for the year ended December 31, 2025 include the Company and all subsidiary undertakings, which are those entities controlled by the Company. Control exists when the Company has the power to direct the activities of an entity so as to affect the return on investment.

The net assets and results of acquired businesses are included in the Company Financial Statements from their respective dates of acquisition, being the date on which the Company obtains control.

The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.

Intra-Company transactions and balances are eliminated.

The Company Financial Statements for the year ended December 31, 2025 reflect the following corporate structure of the Company, and its wholly owned subsidiaries:

- | | | |
|--|---|--|
| • Black Bear Liquids LLC | • Cranberry Pipeline Corporation | • Diversified Energy Group LLC |
| • Black Bear Liquids Marketing LLC | • Diversified ABS IX Holdings LLC | • Diversified Energy Marketing, LLC |
| • Black Bear Midstream Holdings LLC | • Diversified ABS III Upstream LLC | • Diversified Gas & Oil Corporation |
| • Black Bear Midstream LLC | • Diversified ABS LLC | • Diversified Midstream LLC |
| • Bluebonnet Resources, LLC | • Diversified ABS Phase II LLC | • Diversified Midstream LLC |
| • BlueStone Natural Resources II, LLC | • Diversified ABS Phase IV Holdings LLC | • DM Bluebonnet LLC |
| • Breitburn Oklahoma LLC | • Diversified ABS Phase IV LLC | • DM Mountaineer Holdings LLC |
| • Breitburn Operating LP | • Diversified ABS Phase VI Holdings LLC | • DM Pennsylvania Holdco LLC |
| • Breitburn Transpetco GP LLC | • Diversified ABS Phase VI LLC | • DM Yellowjacket HoldCo LLC |
| • Breitburn Transpetco LP LLC | • Diversified ABS Phase X LLC | • DP Sovereignty LLC |
| • Canvas CO2 LLC | • Diversified ABS V Upstream LLC | • DP American Pharoah LLC |
| • Canvas Real Estate LLC | • Diversified ABS VI Upstream LLC | • DP Bluegrass LLC |
| • Corsair Asset Holdings LLC | • Diversified ABS VIII Holdings LLC | • DP Derby Run LLC |
| • Corsair Energy II LLC | • Diversified ABS VIII LLC | • DP Keeneland Mile LLC |
| • Corsair Resources II LLC | • Diversified ABS X Holdings LLC | • DP Legacy Central LLC |
| • Charles Energy, L.L.C. | • Diversified ABS X LLC | • DP Legacy Tapstone LLC |
| • Chesapeake Granite Wash Trust ^(a) | • Diversified Energy Company | • DP Lion Equity Holdco LLC ^(c) |
| • Chestnut Energy, L.L.C. | • Diversified Energy Company LLC | • DP Lion Holdco LLC |
| • Coalfield Pipeline Company | • Diversified Energy Company Limited | • DP Mustang Holdco LLC |

- DP Ponies LLC
- DP RBL Co LLC
- DP Seabiscuit LLC
- DP Secretariat LLC
- DP Tapstone Energy Holdings, LLC
- DP Yellowjacket HoldCo LLC
- EnergySolutions AI LLC
- Giant Land, LLC^(d)
- GTG Pipeline LLC
- Link Land, LLC^(d)
- Maverick ABS Holdco, LLC
- Maverick Asset Holdings LLC
- Maverick Natural Resources II LLC
- Maverick Natural Resources LLC
- Maverick Operating GP LLC
- Maverick Permian Agent Corp
- Maverick Permian LLC
- Maverick Services LLC
- Midpoint Midstream, LLC
- MNR ABS Agent Corp
- MNR ABS Holdings I, LLC
- MNR ABS Issuer I, LLC
- Next LVL Energy, LLC
- Oaktree ABS VI Upstream LLC
- OCM Denali Holdings, LLC
- Old Faithful Land LLC^(d)
- Phoenix Production Company
- Riverside Land, LLC^(d)
- Sooner State Joint ABS Holdings LLC^(b)
- Splendid Land, LLC^(d)
- Trabajo Energy, L.L.C.
- Transpetco Pipeline Company, LP
- Unbridled Agent Corp
- Unbridled Resources, LLC
- Wheeler Midstream, LLC
- Ranger SubCo LLC

(a) *Diversified Production, LLC holds 50.8% of the issued and outstanding common shares of Chesapeake Granite Wash Trust.*

(b) *Owned 51.25% by Diversified Production LLC and 48.75% by OCM Denali Holdings LLC, both wholly owned subsidiaries of the Company.*

(c) *Diversified Production, LLC holds 20% of the issued and outstanding equity of DP Lion Equity Holdco LLC. This entity is not consolidated within the Company's financial statements as of December 31, 2025. Refer to Note 5 for additional information.*

(d) *Owned approximately 55% by Diversified Energy Company.*

Note 3 - Material Accounting Policies

The preparation of the Company Financial Statements in compliance with IFRS as issued by the IASB requires management to make estimates and exercise judgment in applying the Company's accounting policies. In preparing the Company Financial Statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are disclosed in Note 4.

Business Combinations and Asset Acquisitions

The Company performs an assessment of each acquisition to determine whether the acquisition should be accounted for as an asset acquisition or a business combination. For each transaction, the Company may elect to apply the concentration test to determine if the fair value of assets acquired is substantially concentrated in a single asset (or a group of similar assets). If this concentration test is met, the acquisition qualifies as an acquisition of a group of assets and liabilities, not of a business.

Accounting for business combinations under IFRS 3 is applied once it is determined that a business has been acquired. Under IFRS 3, a business is defined as an integrated set of activities and assets conducted and managed for the purpose of providing a return to investors. A business generally consists of inputs, processes applied to those inputs, and resulting outputs that are, or will be, used to generate revenues.

In a business combination, assets acquired and liabilities assumed are recorded at fair value and any excess in the consideration paid over the fair value of the net assets acquired is recorded as goodwill, while any excess fair value of the net assets acquired over the consideration fair value is recognized as a gain on bargain purchase.

When less than the entire interest of an entity is acquired, the choice of measurement of the noncontrolling interest, either at fair value or at the proportionate share of the acquiree's identifiable net assets, is determined on a transaction by transaction basis.

More information regarding the judgments and conclusions reached with respect to business combinations and asset acquisitions is included in Notes 4 and 5.

Oaktree Capital Management, L.P. ("Oaktree") Participation Agreement

In October 2020, the Company entered into a three-year definitive participation agreement with funds managed by Oaktree to jointly identify and fund future proved developed producing acquisition opportunities ("PDP acquisitions") that the Company identified. The Oaktree Funding Commitment provided for up to \$1 billion in aggregate over three years for mutually agreed upon PDP acquisitions with transaction valuations typically greater than \$250,000. The Company and Oaktree each funded 50% of the net purchase price in exchange for proportionate working interests of 51.25% and 48.75% during Tranche I deals, or joint acquisitions made during the first 18 months of the agreement, and 52.5% and 47.5% during Tranche II deals, or joint acquisitions made during the second 18 months of the agreement, respectively. The Company's greater share reflected the upfront promote it received from Oaktree which was intended to compensate the Company for the increase in general and administrative expenses needed to operate an entity that increases with acquired growth.

Additionally, upon Oaktree achieving a 10% unlevered internal rate of return, Oaktree would convey a back-end promote to the Company which would increase the Company's working interest to 59.625% for both Tranche I and Tranche II deals. The Company also maintained the right of first offer to acquire Oaktree's interest if and when Oaktree decided to divest. The Company and Oaktree each had the right to participate in a sale by the other party with a third-party upon comparable terms.

The Company accounted for the Oaktree Participation Agreement as a joint operation under IFRS 11, Joint Arrangements ("IFRS 11"). Accordingly, the Company included its proportionate share of assets, liabilities, revenues and expenses within the consolidated financial statements.

The Oaktree Participation Agreement ended in October 2023. On June 6, 2024 the Company acquired Oaktree's proportionate working interest in all Tranche I and Tranche II deals. Details of the acquisition are disclosed in Note 5.

Inventory

Natural gas inventory is stated at the lower of cost and net realizable value, cost being determined on a weighted average cost basis. Inventory also consists of material and supplies used in connection with the Company's maintenance, storage and handling. Inventory is stated at the lower of cost or net realizable value.

Cash and Cash Equivalents

Cash on the balance sheet comprises cash at banks. Balances held at banks, at times, exceed U.S. federally insured amounts. The Company has not experienced any losses in such accounts and the Company believes it is not exposed to any significant credit risk on its cash.

Trade Receivables

Trade receivables are recorded at their historical carrying amount, net of any required provisions. These receivables are due from customers across the natural gas and oil industry. While they are spread among several customers, their collectability depends on each customer's financial health and the overall economic conditions of the industry. Management evaluates customers' financial conditions before extending credit and typically do not require collateral to secure the recoverability of the Company's trade receivables. Any adjustments to the Company's allowance for expected credit losses during the year are recognized in the Consolidated Statement of Comprehensive Income. Trade receivables also include amounts due from third-party working interest owners and hedge settlement receivables. The Company consistently assesses the collectability of these receivables. As of December 31, 2025 and 2024, the Company considered a portion of these working interest receivables uncollectable and recorded an allowance for credit losses in the amount of \$36 million and \$16 million, respectively. Refer to Note 14 for additional information.

Impairment of Financial Assets

IFRS 9 requires the application of an expected credit loss model in considering the impairment of financial assets. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. The credit event does not have to occur before credit losses are recognized. IFRS 9 allows for a simplified approach for measuring the allowance at an amount equal to lifetime expected credit losses for trade receivables.

The Company applies the simplified approach to the expected credit loss model to trade receivables arising from:

- Sales of natural gas, NGLs and oil;
- Sales of gathering and transportation of third-party natural gas; and
- The provision of other services.

Borrowings

Borrowings are initially recognized at fair value, net of any transaction costs incurred. They are then carried at amortized cost. The difference between the net proceeds and the redemption value is recognized in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Interest on borrowings is accrued according to each class of borrowing.

Derivative Financial Instruments

Derivatives are utilized as part of the Company's strategy to mitigate risks associated with the cash flow unpredictability due to commodity price volatility. Additional details on the Company's exposure to these risks can be found in Note 25. The Company has entered into financial instruments which are considered derivative contracts, such as swaps and collars, which result in net cash settlements each month without physical deliveries. The derivative contracts are initially recognized at fair value on the contract date and remeasured to fair value at each balance sheet date. The resulting gain or loss is recognized in the Consolidated Statement of Comprehensive Income under the gain (loss) on derivative financial instruments line item for the year incurred.

Restricted Cash

Cash held on deposit for bonding purposes is classified as restricted cash and recorded within current and non-current assets. This cash is either (1) restricted by state governmental agencies for use if the operator abandons any wells, or (2) held as collateral by the Company's surety bond providers.

Additionally, the Company is required to maintain certain cash reserves for interest payments related to its asset-backed securitizations, as detailed in Note 21. These reserves typically cover six months of interest and any associated fees. The Company classifies restricted cash as either current or non-current, depending on the classification of the related asset or liability. This reserve cash is managed by an independent indenture trustee, who monitors the reserves monthly to ensure the correct amount is maintained. The deposit conditions restrict the Company from accessing the reserve cash on demand, meaning it no longer qualifies as cash and cash equivalents.

<i>(in thousands)</i>	December 31, 2025	December 31, 2024
Cash restricted by asset-backed securitizations	\$ 98,682	\$ 45,880
Other restricted cash	16,731	389
Total restricted cash	\$ 115,413	\$ 46,269
Classified as:		
Current asset	\$ 21,750	\$ 11,426
Non-current asset	93,663	34,843
Total	\$ 115,413	\$ 46,269

Natural Gas and Oil Properties

Natural gas and oil activities are accounted for using the principles of the successful efforts method of accounting as described below.

Development & Acquisition Costs

Costs incurred to purchase, lease, or otherwise acquire a property are capitalized when incurred. Expenditures related to the construction, installation or completion of infrastructure facilities, such as platforms, and the drilling of development wells, including delineation wells, are capitalized within natural gas and oil properties. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, and the initial estimate of the asset retirement obligation.

Depletion

Proved natural gas, oil and NGL reserve volumes are used as the basis to calculate unit-of-production depletion rates. Leasehold costs are depleted on the unit-of-production basis over the total proved reserves of the relevant area while production and development wells are depleted over proved producing reserves.

Intangible Assets*Software Development*

Development costs that are directly attributable to the design and testing of identifiable and unique software products developed by third parties and controlled by the Company are recognized as intangible assets where the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use;
- The Company intends to complete the software and use it;
- There is an ability to use the software;
- It can be demonstrated how the software will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include cost incurred by third parties, employee costs and an appropriate portion of relevant overheads. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use. Costs associated with maintaining software programs are recognized as an expense as incurred.

Impairment of Intangible Assets

Intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For impairment assessment purposes, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Intangible assets that have suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Amortization

The Company amortizes intangible assets with a limited useful life, using the straight-line method over the following periods:

	Range in Years
Software	3
Other acquired intangibles ^(a)	3

(a) Represents intangible assets acquired in business combinations and asset acquisitions.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The initial recognized cost includes the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to operate as intended by the Company.

Property, plant and equipment are generally depreciated on a straight-line basis over their estimated useful lives:

	Range in Years
Buildings and leasehold improvements	40
Equipment	5 - 10
Motor vehicles	5
Midstream assets	10 - 15
Other property and equipment	5 - 10

Property, plant and equipment held under leases are depreciated over the shorter of the lease term or estimated useful life.

Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there are indications that an asset may be impaired. If such indications exist, or if annual impairment testing is required, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of an asset's or cash generating unit's fair value less disposal costs and its value-in-use. This is determined for an individual asset unless the asset does not generate largely independent cash inflows from other assets or groups of assets. If the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the Company discounts the estimated future cash flows to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. When determining fair value less disposal costs, the Company considers recent market transactions, if available. If no such transactions are identified, an appropriate valuation model is used.

Noncontrolling Interests

Noncontrolling interests represent the equity in subsidiaries that is not attributable to the Company's shareholders. The acquisition of a noncontrolling interest in a subsidiary and the sale of an interest while retaining control are accounted for as transactions within equity and are reported within noncontrolling interests in the consolidated financial statements.

During the years ended December 31, 2025, 2024 and 2023, the Company recorded net income of \$0.8 million, \$1.3 million and \$1.7 million, respectively, attributable to noncontrolling interests. As of December 31, 2025 and 2024, the Company had a noncontrolling interests balance of \$10.9 million and \$11.9 million, respectively. During the years ended December 31, 2025, 2024 and 2023, the Company paid \$1.7 million, \$2.0 million and \$4.0 million, respectively, in distributions to noncontrolling interest owners.

Leases

The Company recognizes a right-of-use asset and a lease liability at the commencement date of contracts (or separate components of a contract) that convey the right to control the use of an identified asset for a period of time in exchange for consideration, when such contracts meet the definition of a lease as determined by IFRS 16, Leases ("IFRS 16"). The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date.

The Company initially measures the lease liability at the present value of the future lease payments, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. After the commencement date, the lease liability is reduced by payments made and increased by interest on the lease liability.

Right-of-use assets are initially measured at cost, which comprises:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date, less any lease incentives received;
- Any initial direct costs incurred by the lessee; and
- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located, or restoring the underlying asset to the condition required by the lease terms, unless those costs are incurred to produce inventories.

Subsequent to the measurement date, the right-of-use asset is depreciated on a straight line basis over the period that reflects the life of the underlying asset and is also adjusted for the remeasurement of any lease liability.

Asset Retirement Obligations

When a liability exists for the retirement of a well, removal of production equipment, and site restoration at the end of a well's productive life, the Company recognizes an asset retirement liability. The amount recognized is the present value of estimated future net expenditures, determined in accordance with our anticipated retirement plans and local conditions and requirements. The unwinding of the discount on the decommissioning liability is included as accretion of the decommissioning provision. The cost of the relevant property, plant and equipment asset is increased by an amount equivalent to the liability and depreciated on a unit of production basis. The Company recognizes changes in estimates prospectively, with corresponding adjustments to the liability and the associated non-current asset.

Taxation

Deferred Taxation

Deferred tax assets and liabilities arise from temporary differences between the tax bases of assets and liabilities and their carrying amounts in the Company Financial Statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred liability is settled.

Deferred tax assets are recognized to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilized. The Company offsets deferred tax assets and liabilities when it has a legally enforceable right to set off current tax assets against current tax liabilities, provided that the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

Current Taxation

Current income tax assets and liabilities for the years ended December 31, 2025 and 2024 were measured at the amounts to be recovered from, or paid to, the taxation authorities. The tax rates (and laws) used to compute these amounts are those enacted or substantively enacted at the reporting date in the jurisdictions where the Company operates and generates taxable income.

Uncertain Tax Positions

Management periodically evaluates positions taken in tax returns where applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances based on either the most likely amount or the expected value, depending on which method better predicts the resolution of the uncertainty.

Revenue Recognition

Natural Gas, NGLs & Oil Revenue ("Commodity Revenue")

Commodity revenue is derived from sales of natural gas, NGLs and oil products and is recognized when the customer obtains control of the commodity. This transfer generally occurs when the product is physically transferred into a vessel, pipe, sales meter, or other delivery mechanism. This also represents the point at which the Company fulfills its single performance obligation to its customer under contracts for the sale of natural gas, NGLs and oil as per IFRS 15, Revenue from Contracts with Customers ("IFRS 15").

Commodity revenue in which the Company has an interest with other producers is recognized proportionately based on the Company's working interest and the terms of the relevant production sharing contracts. Royalty payments or counterparty distributions, representing the portion of revenue due to minority working interests, are recorded as a liability, described in Note 23.

Commodity revenue is recorded based on the volumes accepted each day by customers at the delivery point and is measured using the respective market price index for the applicable commodity, adjusted by the applicable basis differential based on the quality of the product.

Third-Party Gathering Revenue

Revenue from gathering and transporting third-party natural gas is recognized when the customer transfers its natural gas to the entry point in the Company's midstream network and becomes entitled to withdraw an equivalent volume of natural gas from the exit point in the Company's midstream network. This transfer generally occurs when product is physically transferred into the Company's vessel, pipe, or sales meter. The customer's entitlement to withdraw an equivalent volume of natural gas is broadly coterminous with the transfer of natural gas into the Company's midstream network. Customers are invoiced, and revenue is recognized each month based on the volume of natural gas transported at a contractually agreed-upon price per unit.

Third-Party Plugging Revenue

Revenue from third-party asset retirement services is recognized as earned in the month the work is performed, in accordance with the Company's contractual obligations. These contractual obligations are considered the Company's performance obligations for purposes of IFRS 15.

Other Revenue

Revenue from the operation of third-party wells is recognized as earned in the month the work is performed, in accordance with the Company's contractual obligations. These contractual obligations are considered the Company's performance obligations for purposes of IFRS 15.

Revenue from the sale of water disposal services to third parties into the Company's disposal wells is recognized as earned in the month the water is physically disposed of at a contractually agreed-upon price per unit. The disposal of the water is considered the Company's performance obligation under these contracts.

Revenue is stated after deducting sales taxes, excise duties, and similar levies.

Share-Based Payments

The Company accounts for share-based payments under IFRS 2, Share-Based Payment ("IFRS 2"). All of the Company's share-based awards are equity settled, with their fair value determined at the grant date. As of December 31, 2025, 2024 and 2023, the Company had three types of share-based payment awards: RSUs, PSUs and Options. The fair value of the Company's RSUs is measured using the stock price at the grant date. The fair value of the Company's PSUs is measured using a Monte Carlo simulation model. The inputs to the Monte Carlo simulation model included:

- The share price at the date of grant;
- Expected volatility;
- Expected dividends;
- Risk free rate of interest; and
- Patterns of exercise by the plan participants.

The fair value of the Company's Options was calculated using the Black-Scholes model as of the grant date. The inputs to the Black-Scholes model included:

- The share price at the grant date;
- Exercise price;
- Expected volatility; and
- Risk-free rate of interest.

The grant date fair value of share-based awards, adjusted for market-based performance conditions, is expensed uniformly over the vesting period.

New or Amended Accounting Standards - Adopted

The following accounting standards, amendments and interpretations became effective in the current year:

Standard	Amendment	Effective Date
IAS 21	The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	Annual periods beginning on or after January 1, 2025

The application of this standard and interpretations effective for the first time in the current year has had no significant impact on the amounts reported in the Company Financial Statements.

Note 4 - Significant Accounting Judgments & Estimates

In applying the Company's accounting policies described in Note 3, the Company made the following judgments and estimates, which may significantly affect the amounts recognized in the Company Financial Statements.

Significant Judgments*Business Combinations & Asset Acquisitions*

The Company follows the guidance in IFRS 3, Business Combinations ("IFRS 3") for determining the appropriate accounting treatment for acquisitions. IFRS 3 permits an initial fair value assessment to determine if substantially all of the fair value of the assets acquired is concentrated in a single asset or group of similar assets, known as the "concentration test". If the initial screening test is not met, the asset may be considered a business based on whether there are inputs and substantive processes in place. The accounting treatment is derived based on the results of this analysis and the conclusion on an acquisition's classification as a business combination or an asset acquisition.

If the acquisition is deemed to be a business, the acquisition method of accounting is applied. Identifiable assets acquired and liabilities assumed at the acquisition date are recorded at fair value. When the fair value exceeds the consideration transferred, a bargain purchase gain is recognized. Conversely, when the consideration transferred exceeds the fair value, goodwill is recorded. If the transaction is deemed to be an asset purchase, the cost accumulation and allocation model is used whereby the assets and liabilities are recorded based on the purchase price and allocated to the individual assets and liabilities based on relative fair values. As a result, gains on bargain purchases are not recognized on asset acquisitions. Additionally, in instances when the acquisition of a group of assets contains contingent consideration, the Company records changes in the fair value of the contingent consideration through the basis of the asset acquired rather than through the Consolidated Statement of Comprehensive Income. More information regarding conclusions reached with respect to this judgment is included in Note 5.

The determination and allocation of fair values to the identifiable assets acquired and liabilities assumed in a business combination are based on various market participant assumptions and valuation methodologies, requiring considerable judgment by management. The most significant variables in these valuations are discount rates and other assumptions and estimates used to determine the cash inflows and outflows. Management determines discount rates based on the risk inherent in the acquired assets, specific risks, industry beta, and the capital structure of guideline companies. The valuation of an

acquired business is based on available information at the acquisition date and assumptions that are believed to be reasonable. However, a change in facts and circumstances as of the acquisition date can result in subsequent adjustments during the measurement period, but no later than one year from the acquisition date.

Significant Estimates

Estimating the Fair Value of Acquired Natural Gas & Oil Properties

The Company determines the fair value of its natural gas and oil properties acquired through business combinations using the income approach. This approach is based on expected discounted future cash flows, which are derived from estimated reserve quantities, production and development costs, and forward prices for natural gas and oil. Future net cash flows are discounted using a weighted average cost of capital and additional risk factors.

Proved reserves are estimated using available geological and engineering data and include only those volumes for which market access is reasonably certain. These estimates are inherently imprecise, requiring judgment and regular revisions. Revisions may be based on new information from additional drilling, long-term reservoir performance observations, and changes in economic factors such as product prices, contract terms, or operating expenses.

Impairment of Natural Gas & Oil Properties

When preparing the Company Financial Statements, the Company considers whether there is any evidence of impairment in the natural gas and oil properties. This assessment involves reviewing producing assets for impairment indicators at the balance sheet date. Indicators can include significant or prolonged decreases in commodity pricing, negative market changes, downward revisions of reserve estimates, or increases in operating costs.

The Company reviews the carrying value of its natural gas and oil properties on a field basis annually or when an indicator of impairment is identified. The impairment test compares the carrying value of these properties to their recoverable amount, which is based on the present value of estimated future net cash flows from proved reserves. These future cash flows are calculated using estimated reserve quantities, production and development costs, and forward prices for natural gas and oil. If the carrying value exceeds fair value, the Company recognizes an impairment by writing down the value of the properties to their fair value. For the years ended December 31, 2025 and 2024, no such impairments were recorded.

For the year ended December 31, 2023, the Company determined that the carrying amounts of certain proved properties for two fields were not recoverable from future cash flows and recognized an impairment charge of \$42 million. Refer to Note 10 for additional information regarding the Company's impairment assessment.

If there has been an impairment charge in a previous period, it will be reversed in a later period if circumstances change and the recoverable amount exceeds the net book value at the time. When reversing impairment losses, the asset's carrying amount will be increased to the lower of its original carrying value or the carrying value that would have been determined (net of depletion) if no impairment loss had been recognized in prior years. No such recoveries were recorded during the years ended December 31, 2025, 2024, and 2023. For more details, refer to Note 10.

When applicable, the Company recognizes impairment losses in the Consolidated Statement of Comprehensive Income, categorizing them according to the function of the impaired asset.

Reserve Volume Estimates

Proved reserves are the estimated volumes of natural gas, oil and NGLs that can be economically produced with reasonable certainty from known reservoirs, given current economic conditions and operating methods.

To estimate these reserves, we depend on the interpretation and judgment of engineering and production data, along with certain economic data such as commodity prices, operating expenses, capital expenditures, and taxes. Since many factors, assumptions, and variables involved in estimating proved reserves can change over time, the estimates of natural gas, oil and NGL reserve volumes are subject to revision.

Taxation

The Company makes certain estimates when calculating deferred tax assets and liabilities, as well as income tax expense. These estimates often require judgment regarding the timing and recognition of differences of revenue and expenses for tax and financial reporting purposes, as well as the tax basis of our assets and liabilities at the balance sheet date before tax returns are completed. Additionally, the Company must evaluate the likelihood of recovering or utilizing its deferred tax assets and may record a valuation allowance against these assets when it is not expected that they will be realized. In determining whether to apply a valuation allowance, the Company considers evidence such as future taxable income, among other factors. This process involves numerous judgments and assumptions, including estimates of commodity prices, production, and other operating conditions. If any of these factors, assumptions, or judgments change, the deferred tax asset could be adjusted, particularly decreasing if it is determined that the asset is unlikely to be realized. Conversely, a valuation allowance may be reversed if it is determined that the asset is likely to be realized.

Asset Retirement Obligations

The costs associated with asset retirement obligations are inherently uncertain and can fluctuate due to various factors, such as changes in legal requirements, the development of new restoration techniques, or experiences at other production sites. The expected timing and amount of these expenditures can also vary, for instance, due to changes in reserves or modifications in laws and regulations or their interpretation. Consequently, significant estimates and assumptions are necessary to determine the provision for asset retirement. These assumptions include the costs to retire the wells, the Company's retirement plan, an assumed inflation rate, and the discount rate. Changes in these assumptions could lead to a substantial change in the carrying value of the asset retirement obligations within the next financial year. For more details and sensitivity analysis, refer to Note 19.

Note 5 - Acquisitions & Divestitures

The assets acquired in all acquisitions include the necessary permits, rights to production, royalties, assignments, contracts and agreements that support the production from wells and operation of pipelines. The Company determines the accounting treatment of acquisitions using IFRS 3.

2025 Acquisitions

Canvas Energy Inc. ("Canvas") Asset Acquisition

On November 24, 2025, the Company acquired Canvas. The Company determined that substantially all of the fair value of the gross assets acquired was concentrated in a single asset group; therefore, the transaction was accounted for as an asset acquisition. The Company paid purchase consideration of \$452 million, inclusive of customary purchase price adjustments. The purchase consideration consisted of the issuance of 3,718,209 new common shares direct to the unitholders of Canvas and \$399 million in cash, inclusive of transaction costs of \$13 million. As part of the acquisition, the Company paid off on the acquisition date the \$81 million balance outstanding on Canvas's credit facility.

Refer to Notes 16 and 21 for additional information regarding stockholders' equity and debt.

The fair value of the consideration transferred and the allocation to the assets acquired and liabilities assumed based on their relative fair values as of November 24, 2025 were as follows:

(in thousands)

Consideration paid	
Cash consideration	\$ 398,534
Fair value of common stock issued ^(a)	53,951
Total consideration	\$ 452,485
Net assets acquired	
Cash	\$ 51,679
Natural gas and oil properties	580,538
Property, plant and equipment, net	3,097
Other noncurrent assets	773
Trade receivables, net	22,515
Other current assets	6,323
Asset retirement obligations	(38,172)
Borrowings	(80,602)
Deferred tax liability	(43,118)
Other noncurrent liabilities	(573)
Trade and other payables	(8,625)
Other current liabilities	(41,350)
Net assets acquired	\$ 452,485

(a) The fair value of the common stock issued was based on the closing price of the Company's common stock on November 24, 2025 of \$14.51. The fair value of our common stock is a Level 1 input as our stock price is a quoted price in an active market.

Maverick Natural Resources, LLC ("Maverick") Business Combination

On March 14, 2025, the Company acquired Maverick. The Company determined the transaction did not have a significant concentration of assets and that it acquired an identifiable set of inputs, processes, and outputs. As a result, the Company concluded the transaction was a business combination. The Company paid purchase consideration of approximately \$464 million, inclusive of customary purchase price adjustments. The purchase consideration consisted of the issuance of 21,194,213 new common shares direct to the unitholders of Maverick and \$211 million in cash. As part of the acquisition, the Company paid off on the acquisition date the \$202 million balance outstanding on Maverick's credit facility and assumed \$518 million of ABS Maverick Notes outstanding. Transaction costs associated with the acquisition were \$21 million and are included within General and administrative expense in the Consolidated Statements of Comprehensive Income (Loss). Refer to Notes 11 and 15 for additional information regarding stockholders' equity and debt.

The fair value of the consideration transferred and the provisional fair value amounts of the assets acquired and liabilities assumed as of March 14, 2025 were as follows:

Consideration paid	
Cash consideration	\$ 210,753
Fair value of common stock issued ^(a)	253,270
Total consideration	\$ 464,023
Net assets acquired	
Cash	\$ 20,894
Natural gas and oil properties	1,411,133
Property, plant and equipment, net	43,585
Restricted cash	62,048
Other noncurrent assets	28,861
Derivatives, net	4,829
Trade receivables, net	153,205
Other current assets	14,695
Asset retirement obligations	(292,184)
Borrowings	(719,927)
Other noncurrent liabilities	(38,915)
Trade and other payables	(42,967)
Accrued operating expenses	(55,583)
Revenues payable	(44,306)
Other current liabilities	(81,345)
Net assets acquired	\$ 464,023

(a) The fair value of the common stock issued was based on the closing price of the Company's common stock on March 14, 2025 of \$11.95. The fair value of our common stock is a Level 1 input as our stock price is a quoted price in an active market.

The fair value of the natural gas and oil properties was based on estimated future production volumes, adjusted for risk characteristics associated with the classification of the acquired reserves, and related future net cash flows discounted using a weighted average cost of capital. The Company utilized NYMEX strip pricing adjusted for inflation. Management utilized the assistance of a third-party valuation expert to estimate the fair value of the natural gas and oil properties acquired. The Company considers the discount rate, commodity pricing, production and operating expense to be the assumptions most sensitive to the fair value of the acquired natural gas and oil properties and represent Level 3 inputs, other than NYMEX strip pricing which represents a Level 1 input.

Summit Natural Resources, LLC ("Summit") Asset Acquisition

On February 27, 2025, the Company acquired certain upstream assets and related infrastructure within Virginia, West Virginia, and Alabama of the Appalachian Region from Summit. Given the concentration of assets, this transaction was considered an asset acquisition rather than a business combination. The Company paid purchase consideration of \$42 million, inclusive of transaction costs of \$0.4 million and customary purchase price adjustments, substantially all of which was accounted for as natural gas and oil properties. The transaction was funded through proceeds from the new ABS X Notes collateralized, in part, by the acquired assets. Refer to Note 21 for additional information regarding debt.

Other Acquisitions

During the year ended December 31, 2025, the Company acquired certain midstream and upstream assets that are contiguous to its existing Central Region assets. The Company paid total purchase consideration of \$16 million, inclusive of non-cash consideration of \$4 million, customary purchase price adjustments, and transaction costs. Given the concentration of assets, these transactions were considered asset acquisitions rather than business combinations.

2025 Divestitures

During the year ended December 31, 2025, the Company divested certain non-core undeveloped acreage across its operating footprint for consideration of \$160 million. The consideration received exceeded the carrying amount of the net assets divested resulting in a gain on natural gas and oil properties and equipment of \$95 million. Additionally, the disposal of various property, plant and equipment in the normal course of business resulted in a loss on natural gas and oil properties and equipment of \$22 million.

2024 Acquisitions

East Texas II Asset Acquisition

On October 29, 2024, the Company acquired certain developed producing assets in the East Texas area of the Central Region from a regional operator (the "Seller") (altogether, the "East Texas II transaction"). The Company assessed the acquired assets and determined that this transaction was considered an asset acquisition rather than a business combination. When making this determination, management evaluated IFRS 3 and concluded that the acquired assets did not meet the definition of a business. The Company paid purchase consideration of \$68 million, inclusive of transaction costs of \$0.7 million and customary purchase price adjustments. The transaction was funded through a combination of cash consideration of \$40 million, drawing from a senior secured bank facility supported by the acquired assets and existing liquidity, and the issuance of 2,342,445 new ordinary shares direct to the Seller. Refer to Notes 16 and 21 for additional information regarding share capital and debt, respectively. In the period from its acquisition to December 31, 2025 the East Texas II assets increased the Company's revenue and operating expense by \$5 million and \$2 million, respectively.

The assets acquired and liabilities assumed were as follows:

(in thousands)

Consideration paid	
Cash consideration	\$ 40,329
Fair value of common stock issued(a)	27,453
Total consideration	\$ 67,782
Net assets acquired	
Natural gas and oil properties	\$ 78,087
Asset retirement obligations, asset portion	11,902
Property, plant and equipment, net	1,045
Asset retirement obligations	(11,902)
Other current liabilities	(11,350)
Net assets acquired	\$ 67,782

Crescent Pass Energy ("Crescent Pass") Asset Acquisition

On August 15, 2024, the Company acquired certain upstream assets and related infrastructure in the East Texas area of the Central Region from Crescent Pass. The Company assessed the acquired assets and determined that this transaction was considered an asset acquisition rather than a business combination. When making this determination, management evaluated IFRS 3 and concluded that the acquired assets did not meet the definition of a business. The Company paid purchase consideration of \$98 million, inclusive of transaction costs of \$0.8 million and customary purchase price adjustments. The transaction was funded through a combination of the issuance of 2,249,650 new ordinary shares direct to Crescent Pass and cash consideration of \$69 million from the new Term Loan II supported by the acquired assets. Refer to Notes 16 and 21 for additional information regarding share capital and debt, respectively. In the period from its acquisition to December 31, 2025 the Crescent Pass assets increased the Company's revenue and operating expense by \$10 million and \$6 million, respectively.

The assets acquired and liabilities assumed were as follows:

(in thousands)

Consideration paid		
Cash consideration	\$	69,265
Fair value of common stock issued(a)		28,413
Total consideration	\$	97,678
Net assets acquired		
Natural gas and oil properties	\$	105,737
Asset retirement obligations, asset portion		34,247
Property, plant and equipment, net		534
Trade receivables, net		1,926
Asset retirement obligations		(34,247)
Other current liabilities		(10,519)
Net assets acquired	\$	97,678

Oaktree Capital Management, L.P. ("Oaktree") Working Interest Asset Acquisition

On June 6, 2024 the Company acquired Oaktree's proportionate working interest in the East Texas, Tapstone, Tanos and Indigo acquisitions. The Company assessed the acquired assets and determined that this transaction was considered an asset acquisition rather than a business combination. When making this determination, management evaluated IFRS 3 and concluded that the acquired assets did not meet the definition of a business. The Company paid purchase consideration of \$222 million, inclusive of transaction costs of \$2 million and customary purchase price adjustments. As part of this transaction, the Company assumed Oaktree's proportionate debt of \$133 million associated with the ABS VI Notes. The Company funded the purchase through a combination of existing and expanded liquidity and issued approximately \$83,348 in notes payable to Oaktree. Refer to Note 21 for additional information regarding debt. In the period from its acquisition to December 31, 2025 the Oaktree assets increased the Company's revenue and operating expense by \$66 million and \$32 million, respectively.

The assets acquired and liabilities assumed were as follows:

(in thousands)

Consideration paid		
Cash consideration	\$	177,550
Oaktree Seller's Note		83,348
Elimination of Oaktree liability		(39,238)
Total consideration	\$	221,660
Net assets acquired		
Natural gas and oil properties	\$	315,611
Asset retirement obligations, asset portion		63,770
Property, plant and equipment, net		457
Restricted cash		6,153
Derivatives, net		39,841
Asset retirement obligations		(63,770)
Borrowings		(132,576)
Other current liabilities		(7,826)
Net assets acquired	\$	221,660

Other Acquisitions

On December 30, 2024 the Company acquired certain upstream assets in the Central Region that are contiguous to its existing East Texas assets. The Company paid purchase consideration of \$1 million, inclusive of customary purchase price adjustments and transaction costs. Given the concentration of assets, this transaction was considered an asset acquisition rather than a business combination.

2024 Divestitures

During the year ended December 31, 2024, the Company divested certain other non-core undeveloped acreage across its operating footprint for consideration of approximately \$59 million. The consideration received exceeded the carrying value of the net assets divested resulting in a gain on natural gas and oil properties and equipment of \$26 million.

2023 Acquisitions

Tanos Energy Holdings II LLC ("Tanos II") Asset Acquisition

On March 1, 2023 the Company acquired certain upstream assets and related infrastructure in the Central Region from Tanos II. Given the concentration of assets, this transaction was considered an asset acquisition rather than a business combination. When making this determination management performed an asset concentration test considering the fair value of the acquired assets. The Company paid purchase consideration of \$262 million, inclusive of transaction costs of \$0.9 million and customary purchase price adjustments. The Company funded the purchase with proceeds from the February 2023 equity raise, cash on hand and existing availability on the Credit Facility for which the borrowing base was upsized concurrent to the closing of the Tanos II transaction. Refer to Notes 16 and 21 for additional information regarding the Company's share capital and borrowings. In the period from its acquisition to December 31, 2023 the Tanos II assets increased the Company's revenue by \$46 million.

2023 Divestitures*Sale of Equity Interest in DP Lion Equity HoldCo LLC*

In November 2023, the Company formed DP Lion Equity Holdco LLC, a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to issue Class A and Class B asset-backed securities (collectively "ABS VII") which are secured by certain upstream producing assets in Appalachia. The Class A and B asset backed securities were issued in aggregate principal amounts of \$142 million and \$20 million, respectively.

In December 2023, the Company divested 80% of the equity ownership in DP Lion Equity Holdco LLC to outside investors, generating cash proceeds of \$30 million. The Company evaluated the remaining 20% interest in DP Lion Equity Holdco LLC and determined that the governance structure is such that the Company does not have the ability to exercise control, joint control, or significant influence over the DP Lion Equity Holdco LLC entity. Accordingly, this entity is not consolidated within the Company's financial statements as of December 31, 2023.

The consideration exceeded the fair value of the Company's portion of the assets and liabilities divested resulting in a gain on sale of the equity interest of \$18 million. The Company's remaining investment in the LLC is accounted for as an equity instrument at fair value in accordance with IFRS 9, Financial Instruments ("IFRS 9") and was \$8 million at December 31, 2023, which generated an unrealized gain of \$5 million.

During 2024, the Company identified that the liability for revenues to be distributed of \$7 million associated with the divested wells in the DP Lion Holdco LLC transaction was inappropriately relieved and should have remained consolidated within the Company Financial Statements. The Company assessed the error and determined that it is immaterial, quantitatively and qualitatively, to the 2023 and 2024 Company Financial Statements. Accordingly, the error has been corrected as an out of period adjustment in 2024 within the "Gain (loss) on sale of equity interest" line item in the Company's Statement of Comprehensive Income.

Other 2023 Divestitures

On July 17, 2023, the Company sold undeveloped acreage in Oklahoma, within the Company's Central Region, for net consideration of approximately \$16 million. The consideration received exceeded the fair value of the net assets divested resulting in a gain on natural gas and oil properties and equipment of \$14 million.

On June 27, 2023, the Company sold certain non-core, non-operated assets within its Central Region for gross consideration of approximately \$38 million. The divested assets were located in Texas and Oklahoma and consisted of non-operated wells and the associated leasehold acreage that was acquired as part of the ConocoPhillips Asset Acquisition in September 2022. This sale of non-operated and non-core assets aligns with the Company's application of the Smarter Asset Management strategy and its strategic focus on operated proved developed producing assets.

Additionally, during the year ended December 31, 2023, the Company divested certain other non-core undeveloped acreage across its operating footprint for consideration of approximately \$12 million. The consideration received exceeded the fair value of the net assets divested resulting in a gain on natural gas and oil properties and equipment of \$11 million.

Note 6 - Revenue

The Company extracts and sells natural gas, NGLs and oil to a variety of customers and operates most of the wells on behalf of customers and other working interest owners. Additionally, the Company offers gathering and transportation services, as well as asset retirement and other services to third parties. All revenue is generated within the U.S.

The following table reconciles the Company's revenue for the periods presented:

<i>(in thousands)</i>	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Natural gas	\$ 830,247	\$ 464,600	\$ 557,167
NGLs	207,868	150,513	141,321
Oil	500,706	117,146	103,911
Total commodity revenue	\$ 1,538,821	\$ 732,259	\$ 802,399
Midstream	40,492	32,535	30,565
Other ^(a)	32,142	30,047	35,299
Total revenue	\$ 1,611,455	\$ 794,841	\$ 868,263

(a) Includes \$12 million, \$16 million, and \$28 million in third party plugging revenue and \$20 million, \$14 million, and \$7 million in other revenue for the years ended December 31, 2025, 2024, and 2023, respectively. Refer to Note 3 for additional information.

A significant portion of the Company's trade receivables stem from sales of natural gas, NGLs and oil, as well as operational services. These receivables are uncollateralized and typically collected within 30 to 60 days.

For the years ended December 31, 2025, 2024 and 2023, no single customer accounted for more than 10% of total revenues.

Note 7 - Expenses by Nature

The table below details the Company's expenses for the periods presented:

<i>(in thousands)</i>	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
LOE ^(a)	\$ 457,592	\$ 231,651	\$ 213,078
Production taxes ^(b)	86,709	36,043	61,474
Midstream operating expenses ^(c)	77,568	70,747	69,792
Transportation expenses ^(d)	115,267	90,461	96,218
Total operating expenses	\$ 737,136	\$ 428,902	\$ 440,562
Depreciation and amortization	76,286	59,358	56,453
Depletion	307,311	197,126	168,093
Total depreciation, depletion and amortization	\$ 383,597	\$ 256,484	\$ 224,546
Employees, administrative costs and professional services ^(e)	96,492	86,885	78,659
Costs associated with acquisitions ^(f)	35,724	11,573	16,775
Other adjusting costs ^(g)	19,424	22,375	17,794
Non-cash equity compensation ^(h)	10,398	8,286	6,494
Total G&A	\$ 162,038	\$ 129,119	\$ 119,722
Recurring allowance for credit losses ⁽ⁱ⁾	4,187	101	8,478
Total expenses	\$ 1,286,958	\$ 814,606	\$ 793,308
Aggregate remuneration:			
Wages and salaries	\$ 172,054	\$ 133,024	\$ 124,834
Payroll taxes	13,222	10,380	10,163
Benefits	35,254	29,252	31,912
Total employees and benefits expense	\$ 220,530	\$ 172,656	\$ 166,909

- (a) LOE includes costs incurred to maintain producing properties. Such costs include direct and contract labor, repairs and maintenance, water hauling, compression, automobile, insurance, and materials and supplies expenses.
- (b) Production taxes include severance and property taxes. Severance taxes are generally paid on produced natural gas, NGLs and oil production at fixed rates established by federal, state, or local taxing authorities. Property taxes are generally based on the taxing jurisdictions' valuation of our natural gas and oil properties and midstream assets.
- (c) Midstream operating expenses are costs incurred to operate our owned midstream assets inclusive of employee and benefit expenses.
- (d) Transportation expenses are costs incurred from third-party systems to gather, process and transport our natural gas, NGLs and oil.
- (e) Employees, administrative costs and professional services include payroll and benefits for our administrative and corporate staff, costs of maintaining administrative and corporate offices, managing our production operations, franchise taxes, public company costs, fees for audit and other professional services, and legal compliance.
- (f) Costs associated with acquisitions are related to the integration of acquisitions, which vary for each acquisition. For acquisitions classified as business combinations, these costs include transaction costs directly associated with a successful acquisition. They also encompass costs related to transition service arrangements, where the Company pays the seller of the acquired entity a fee to manage G&A functions until full integration of the assets. Additionally, these costs include costs to cover expenses for integrating IT systems, consulting, and internal workforce efforts directly related to incorporating acquisitions into the Company's systems.
- (g) Other adjusting costs include items that affect the comparability of results or are not indicative of ongoing business trends. These costs consist of one-time projects, contemplated transactions or financing arrangements, contract terminations, deal breakage and/or sourcing costs for acquisitions, and unused firm transportation.
- (h) Non-cash equity compensation represents the expense recognition for share-based compensation provided to key members of the management team. Refer to Note 17 for additional details on non-cash share-based compensation.
- (i) Allowance for credit losses consists of the recognition and reversal of credit losses. Refer to Note 14 for additional information regarding credit losses.

The following table presents the number of employees as of the dates presented:

	As of		
	December 31, 2025	December 31, 2024	December 31, 2023
Number of production support employees	498	402	389
Number of production employees	1,489	1,187	1,214
Workforce	1,987	1,589	1,603

The Company defines key management personnel as the executive and non-executive Directors. Bradley G. Gray is excluded from the executive Director remuneration below for the years ended December 31, 2025 and 2024, and is included for the year ended December 31, 2023. Mr. Gray was a Director through September 15, 2023. The fixed pay figures included in the table represent Mr. Gray's prorated compensation for the year ended December 31, 2023. The Directors' remuneration was as follows for the periods presented:

<i>(in thousands)</i>	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Executive Director(s)			
Salary	\$ 807	\$ 780	\$ 1,073
Taxable benefits ^(a)	14	17	20
Benefit plan ^(b)	21	42	46
Bonus ^(c)	1,359	1,160	1,130
Long-term incentives	2,795	1,541	2,322
Total Executive Directors' remuneration	4,996	3,540	4,591
Non-Executive Directors			
Fees	1,171	1,050	994
Total Non-Executive Directors' remuneration	1,171	1,050	994
Total remuneration	\$ 6,167	\$ 4,590	\$ 5,585

(a) Taxable benefits were comprised of Company paid life insurance premiums and automobile reimbursements.

(b) Reflects matching contributions under the Company's 401(k) plan and health insurance benefits.

Auditors' remuneration for the periods presented was as follows:

<i>(in thousands)</i>	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Auditors' remuneration			
Fees payable to the Company's external auditors and their associates for the audit of the consolidated financial statements ^(a)	\$ 2,683	\$ 3,198	\$ 2,140
Fees payable for the audit of the financial statements of the Company's subsidiaries	100	100	150
Audit-related assurance services ^(b)	1,077	756	1,078
Other assurance services	7	9	13
Tax compliance ^(c)	502	—	—
Total auditors' remuneration	\$ 4,369	\$ 4,063	\$ 3,381

(a) The 2025 and 2024 fees include \$0.1 million and \$0.3 million, respectively, for additional fees agreed upon and billed after signing the 2024 and 2023 consolidated accounts, respectively.

(b) Fees related to the Company's interim review and capital market activities, which are outside the scope of the audit of the consolidated financial statements.

(c) Fees related to the tax compliance services provided for an acquired subsidiary.

Note 8 - Taxation

The Company files a consolidated U.S. federal tax return, multiple state tax returns, and a separate UK tax return for Diversified Energy Company PLC, the former parent company, which will file its final tax return for 2025. Income taxes are provided for the tax effects of transactions reported in the Company Financial Statements and consist of taxes currently due, plus deferred taxes related to differences between the basis of assets and liabilities for financial and income tax reporting.

For the taxable years ended December 31, 2025, 2024, and 2023, the Company had a tax benefit of \$36 million, a benefit of \$137 million, and an expense of \$241 million, respectively. The effective tax rate used for the year ended December 31, 2025 was (11.0)%, compared to 61.2% for the year ended December 31, 2024, and 24.1% for the year ended December 31, 2023.

The effective tax rate for December 31, 2025 and 2024 were primarily influenced by the recognition of the federal marginal well tax credit available to qualified producers. The effective tax rate for December 31, 2023 was primarily impacted by changes in state taxes due to acquisitions and recurring permanent differences.

Marginal well tax credits are offered by the federal government to incentivize companies to maintain production from wells with lower output, especially during periods of subdued prices, ensuring the continuation of jobs and the generation of state and local taxes that fund schools, social programs, police, and other vital public services. Internal Revenue Code Section 45I outlines the criteria for these credits, which are designated for qualifying natural gas output from specific wells. Wells producing under 90 Mcfe daily benefit from these incentives when natural gas prices in the preceding tax year are comparatively low. The Company has received these credits due to its collection of conventional wells known for their longevity and slow production decline. These credits were available for 2025 and 2024 based on commodity pricing in the 2024 and 2023 calendar years, respectively, but were not available for 2023 based on commodity pricing in 2022. The Company utilizes these credits on a first in, first out basis.

The provision for income taxes in the Consolidated Statement of Comprehensive Income is summarized below:

<i>(in thousands)</i>	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Current income tax benefit (expense)			
Federal benefit (expense)	\$ (2,822)	\$ 18,238	\$ (7,289)
State benefit (expense)	(11,834)	(1,122)	(5,902)
Foreign - UK benefit (expense)	—	(234)	—
Total current income tax benefit (expense)	\$ (14,656)	\$ 16,882	\$ (13,191)
Deferred income tax benefit (expense)			
Federal benefit (expense)	\$ 53,480	\$ 111,003	\$ (202,133)
State benefit (expense)	(2,748)	9,016	(25,460)
Foreign - UK benefit (expense)	—	50	141
Total deferred income tax benefit (expense)	\$ 50,732	\$ 120,069	\$ (227,452)
Total income tax benefit (expense)	\$ 36,076	\$ 136,951	\$ (240,643)

The effective tax rates and differences between the statutory U.S. federal income tax rate and the effective tax rates are summarized as follows:

<i>(in thousands)</i>	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Income (loss) before taxation	\$ 327,593	\$ (223,952)	\$ 1,000,344
Income tax benefit (expense)	36,076	136,951	(240,643)
Effective tax rate	(11.0%)	61.2%	24.1%

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Expected tax at statutory U.S. federal income tax rate	21.0%	21.0%	21.0%
State income taxes, net of federal tax benefit	3.5%	3.7%	3.1%
Federal credits	(32.5%)	41.3%	0.0%
Other, net	(3.0%)	(4.8%)	0.0%
Effective tax rate	(11.0%)	61.2%	24.1%

The Company had a net deferred tax asset of \$259 million at December 31, 2025, compared to a net deferred tax asset of \$251 million at December 31, 2024. This change was primarily due to the recognition of marginal well credits and purchase price adjustments. The Company had a net deferred tax asset of \$251 million at December 31, 2024, compared to a net deferred tax asset of \$131 million at December 31, 2023. This change was primarily due to a poor commodity price environment generating unrealized gains for unsettled derivatives not recognized for tax purposes. The balance sheet presentation considers the offsetting of deferred tax assets and liabilities within the same tax jurisdiction, where permitted. The overall deferred tax position in a particular tax jurisdiction determines if a deferred tax balance related to that jurisdiction is presented within deferred tax assets or liabilities.

The table below presents the components of the net deferred tax asset (liability) included in non-current assets (liabilities) as of the periods presented:

<i>(in thousands)</i>	December 31, 2025	December 31, 2024
Deferred tax asset		
Asset retirement obligations	\$ 294,819	\$ 157,035
Derivative financial instruments	127,198	191,512
Allowance for doubtful accounts	4,782	4,099
Net operating loss carryover	27,469	4,425
Federal tax credits carryover	331,532	233,969
163(j) interest expense limitation	41,634	41,031
Total deferred tax asset	\$ 827,434	\$ 632,071
Deferred tax liability		
Amortization and depreciation	\$ (584,256)	\$ (352,059)
Investment in partnerships	12,731	(5,233)
Other	2,927	(23,503)
Total deferred tax liability	\$ (568,598)	\$ (380,795)
Net deferred tax asset (liability)	\$ 258,836	\$ 251,276
Balance sheet presentation		
Deferred tax asset	\$ 269,216	\$ 259,287
Deferred tax liability	(10,380)	(8,011)
Net deferred tax asset (liability)	\$ 258,836	\$ 251,276

In assessing the realizability of deferred tax assets, the Company considers whether it is probable that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets depends on generating future taxable income during the periods in which those temporary differences become deductible or before credits expire. The Company evaluates the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. At this time, the Company has determined it will have sufficient future taxable income to recognize its deferred tax assets.

The Company reported the effects of deferred tax expense as of and for the year ended December 31, 2025:

<i>(in thousands)</i>	Opening Balance	Consolidated Statement of Comprehensive Income	Other ^(a)	Closing Balance
Asset retirement obligations	\$ 157,035	\$ 140,715	\$ (2,931)	\$ 294,819
Allowance for doubtful accounts	4,099	683	—	4,782
Net operating loss carryover	4,425	23,044	—	27,469
Federal tax credits carryover	233,969	97,563	—	331,532
Property, plant, and equipment and natural gas and oil properties	(352,059)	(294,538)	62,341	(584,256)
Derivative financial instruments	191,512	(64,314)	—	127,198
Investment in partnerships	(5,233)	17,964	—	12,731
163(j) interest expense limitation	41,031	603	—	41,634
Other	(23,503)	27,548	(1,118)	2,927
Total deferred tax asset (liability)	\$ 251,276	\$ (50,732)	\$ 58,292	\$ 258,836

(a) Amounts primarily relate to deferred taxes acquired as part of acquisition purchase accounting.

The Company reported the effects of deferred tax expense as of and for the year ended December 31, 2024:

<i>(in thousands)</i>	Opening Balance	Consolidated Statement of Comprehensive Income	Other ^(a)	Closing Balance
Asset retirement obligations	\$ 103,998	\$ 53,037	\$ —	\$ 157,035
Allowance for doubtful accounts	4,235	(136)	—	4,099
Net operating loss carryover	686	3,739	—	4,425
Federal tax credits carryover	163,158	70,811	—	233,969
Property, plant, and equipment and natural gas and oil properties	(252,587)	(99,472)	—	(352,059)
Derivative financial instruments	153,057	38,455	—	191,512
Investment in partnerships	(60,067)	54,834	—	(5,233)
163(j) interest expense limitation	24,324	16,707	—	41,031
Other	(5,598)	(17,906)	1	(23,503)
Total deferred tax asset (liability)	\$ 131,206	\$ 120,069	\$ 1	\$ 251,276

(a) Amounts primarily relate to a deferred taxes reclass for comparative purposes.

The Company reported the effects of deferred tax expense as of and for the year ended December 31, 2023:

<i>(in thousands)</i>	Opening Balance	Consolidated Statement of Comprehensive Income	Other ^(a)	Closing Balance
Asset retirement obligations	\$ 92,393	\$ 11,605	\$ —	\$ 103,998
Allowance for doubtful accounts	2,378	1,857	—	4,235
Net operating loss carryover	3,865	(3,179)	—	686
Federal tax credits carryover	184,975	(21,817)	—	163,158
Property, plant, and equipment and natural gas and oil properties	(255,440)	2,853	—	(252,587)
Derivative financial instruments	378,918	(225,861)	—	153,057
Investment in partnerships	(82,930)	8,570	14,293	(60,067)
163(j) interest expense limitation	15,573	8,751	—	24,324
Other	18,934	(10,231)	(14,301)	(5,598)
Total deferred tax asset (liability)	\$ 358,666	\$ (227,452)	\$ (8)	\$ 131,206

(a) Amounts primarily relate to deferred taxes acquired as part of acquisition purchase accounting.

The Company's material deferred tax assets and liabilities all originate in the U.S.

For U.S. federal tax purposes, the Company is taxed as a single consolidated entity. The Company's co-investments with Oaktree and its investment in the Chesapeake Granite Wash Trust are taxed as partnerships that pass through to the Company's consolidated return. The Company is also subject to additional taxes in its previously domiciled jurisdiction of the UK. For the years ended December 31, 2025, 2024, and 2023, the Company incurred a expense of zero, \$0.2 million, and zero in the UK, respectively.

The Organization for Economic Cooperation and Development ("OECD") has proposed model rules for a global minimum tax of 15% of reported profits ("Pillar Two") that has been agreed upon in principle by over 140 countries. While the U.S. has not yet enacted rules implementing Pillar Two, the U.K. has. This is relevant to the Company as it is resident in the U.K. for corporation tax purposes. The Finance (No. 2) Act 2023 (the "UK Act") was enacted on July 11, 2023, and implements the OECD's Base Erosion & Profit Shifting ("BEPS") Pillar Two Income Inclusion Rule and a 'Qualifying Domestic Minimum Top-up Tax' for accounting periods beginning on or after December 31, 2023. The UK Act also includes a transitional safe harbor election for

accounting periods beginning on or before December 31, 2026. Although the Pillar Two rules can lead to additional taxes, including taxes on our profits in the U.S., the Company anticipates qualifying for a transitional safe harbor under the Pillar Two rules. We have undertaken an initial assessment, and evaluated the impact of these rules, and currently the Company believes it will not have a material impact on its financial position, results of operations, or cash flows due to the availability of a transitional safe harbor for the year ended December 31, 2025.

The Company had no uncertain tax position liabilities as of December 31, 2025, 2024 or 2023.

As of December 31, 2025, the Company had U.S. federal net operating loss carryforwards ("NOLs") of approximately \$105 million after any subject limitations. Additionally, the Company had \$109 million U.S. state NOLs.

The Company had U.S. marginal well tax credit carryforwards of approximately \$332 million as of December 31, 2025, compared to \$234 million and \$163 million as of December 31, 2024 and 2023, respectively. As discussed earlier, marginal well tax credits are intended to benefit wells producing less than 90 Mcfe per day when market prices for natural gas are relatively low. Due to the low commodity price environment in 2024, the Company generated federal tax credits of \$106,319 for the year ended December 31, 2025. These tax credits expire between 2040 and 2045.

The Company had no U.S. federal capital loss carryforwards as of December 31, 2025, compared to \$14 million and none as of December 31, 2024 and 2023, respectively. For the year ended December 31, 2025, no capital loss carryforwards expired. The Company utilized all existing capital loss carryforward in the amount of \$14 million in 2025.

The Company completed a Section 382 study through December 31, 2025 in accordance with the Internal Revenue Code of 1986, as amended. The study concluded that the Company has not experienced an ownership change since the last ownership change on January 31, 2018. If the Company experiences an ownership change, tax credit carryforwards can be utilized but are limited each year and could expire before being fully utilized.

The Company is subject to examination by the IRS for tax years 2022 through 2024.

Note 9 - Earnings (Loss) Per Share

Basic earnings (loss) per share are calculated based on net income (loss) and the weighted average number of shares outstanding during the period. Diluted earnings per share is based on net income and the weighted average number of shares outstanding, plus the weighted average number of shares that would be issued if dilutive share-based compensation awards were converted into shares on the last day of the reporting period. For both basic and diluted earnings (loss) per share calculations, the weighted average number of shares outstanding excludes shares held as treasury shares in the Employee Benefit Trust ("EBT"), which are treated the same as shares held in the treasury reserve for accounting purposes. Refer to Note 16 for additional information regarding the EBT.

Basic and diluted earnings (loss) per share were calculated as follows for the periods presented:

Calculation	Year Ended			
	December 31, 2025	December 31, 2024	December 31, 2023	
Net income (loss) attributable to Owners of Diversified Energy Company (in thousands)	A	\$ 362,885	\$ (88,272)	\$ 758,018
Weighted average shares outstanding - basic	B	72,969,687	48,031,916	47,165,380
Dilutive impact of potential shares		1,508,905	—	349,141
Weighted average shares outstanding - diluted	C	74,478,592	48,031,916	47,514,521
Earnings (loss) per share - basic	= A/B	\$ 4.97	\$ (1.84)	\$ 16.07
Earnings (loss) per share - diluted	= A/C	\$ 4.87	\$ (1.84)	\$ 15.95
Potentially dilutive shares ^(a)		85,106	640,568	54,133

(a) Outstanding share-based compensation awards excluded from the diluted EPS calculation because their effect would have been anti-dilutive.

Note 10 - Natural Gas & Oil Properties

The following table summarizes the Company's natural gas and oil properties for the periods presented:

(in thousands)	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Costs			
Beginning balance	\$ 3,819,192	\$ 3,206,739	\$ 3,062,463
Additions ^(a)	2,425,307	655,080	353,888
Disposals ^(b)	(64,939)	(42,627)	(209,612)
Ending balance	\$ 6,179,560	\$ 3,819,192	\$ 3,206,739
Depletion and impairment			
Beginning balance	\$ (913,490)	\$ (716,364)	\$ (506,655)
Depletion expense	(307,311)	(197,126)	(168,093)
Impairment	—	—	(41,616)
Ending balance	\$ (1,220,801)	\$ (913,490)	\$ (716,364)
Net book value	\$ 4,958,759	\$ 2,905,702	\$ 2,490,375

(a) In 2025, the Company added \$2.0 billion from acquisitions. The remaining changes were primarily due to development and recurring capital expenditures. In 2024, the Company added \$613 million from material acquisitions. The remaining changes were primarily due to recurring capital expenditures. In 2023, the Company added \$266 million from acquisitions. The remaining changes were primarily due to recurring capital expenditures.

(b) In 2025, the Company divested \$65 million in undeveloped acreage. In 2024, the Company divested \$33 million in undeveloped acreage. In 2023, the Company divested \$203 million in natural gas and oil properties related to the sale of equity interest in DP Lion Equity Holdco LLC and other proved properties and undeveloped acreage divestitures.

Impairment Assessment for Natural Gas and Oil Properties

For the year ended December 31, 2025, the Company assessed indicators of impairment, noting that commodity prices showed moderate strengthening. As a result of this assessment, no indicators of impairment were identified for the year ended December 31, 2025. For the year ended December 31, 2024, the Company assessed indicators of impairment, noting that commodity prices showed moderate strengthening. As a result of this assessment, no indicators of impairment were identified for the year ended December 31, 2024. For the year ended December 31, 2023, the Company determined that the carrying amounts of certain proved properties for two fields were not recoverable from future cash flows and recognized an impairment charge of \$41,616.

Note 11 - Property, Plant & Equipment

The following tables summarize the Company's property, plant and equipment for the periods presented:

Year Ended December 31, 2025

<i>(in thousands)</i>	Buildings and Leasehold Improvements		Equipment	Motor Vehicles	Midstream Assets	Other Property and Equipment	Total					
Costs												
Beginning balance	\$	49,842	\$	31,725	\$	82,945	\$	476,150	\$	28,249	\$	668,911
Additions ^(a)		18,749		8,564		42,239		47,586		15,851		132,989
Disposals		(65)		(1,699)		(7,688)		(11,849)		(8,639)		(29,940)
Ending balance^(b)	\$	68,526	\$	38,590	\$	117,496	\$	511,887	\$	35,461	\$	771,960
Accumulated depreciation												
Beginning balance	\$	(5,188)	\$	(9,797)	\$	(44,197)	\$	(153,039)	\$	(7,150)	\$	(219,371)
Period changes		(1,855)		(3,702)		(18,836)		(38,621)		(4,528)		(67,542)
Disposals		61		1,578		7,483		10,979		1,065		21,166
Ending balance	\$	(6,982)	\$	(11,921)	\$	(55,550)	\$	(180,681)	\$	(10,613)	\$	(265,747)
Net book value	\$	61,544	\$	26,669	\$	61,946	\$	331,206	\$	24,848	\$	506,213

Year Ended December 31, 2024

<i>(in thousands)</i>	Buildings and Leasehold Improvements		Equipment	Motor Vehicles	Midstream Assets	Other Property and Equipment	Total					
Costs												
Beginning balance	\$	48,255	\$	32,236	\$	71,175	\$	455,128	\$	26,293	\$	633,087
Additions ^(a)		2,978		3,066		19,243		22,597		2,614		50,498
Disposals		(1,391)		(3,577)		(7,473)		(1,575)		(658)		(14,674)
Ending balance^(b)	\$	49,842	\$	31,725	\$	82,945	\$	476,150	\$	28,249	\$	668,911
Accumulated depreciation												
Beginning balance	\$	(4,161)	\$	(8,722)	\$	(36,142)	\$	(123,458)	\$	(4,396)	\$	(176,879)
Period changes		(1,626)		(3,400)		(13,990)		(31,054)		(3,412)		(53,482)
Disposals		599		2,325		5,935		1,473		658		10,990
Ending balance	\$	(5,188)	\$	(9,797)	\$	(44,197)	\$	(153,039)	\$	(7,150)	\$	(219,371)
Net book value	\$	44,654	\$	21,928	\$	38,748	\$	323,111	\$	21,099	\$	449,540

Year Ended December 31, 2023

<i>(in thousands)</i>	Buildings and Leasehold Improvements		Equipment	Motor Vehicles	Midstream Assets	Other Property and Equipment	Total					
Costs												
Beginning balance	\$	47,682	\$	30,369	\$	66,389	\$	433,484	\$	23,743	\$	601,667
Additions ^(a)		1,134		3,964		11,715		21,644		4,039		42,496
Disposals		(561)		(2,097)		(6,929)		—		(1,489)		(11,076)
Ending balance^(b)	\$	48,255	\$	32,236	\$	71,175	\$	455,128	\$	26,293	\$	633,087
Accumulated depreciation												
Beginning balance	\$	(3,607)	\$	(7,627)	\$	(29,194)	\$	(95,826)	\$	(2,553)	\$	(138,807)
Period changes		(581)		(3,024)		(12,887)		(27,632)		(2,720)		(46,844)
Disposals		27		1,929		5,939		—		877		8,772
Ending balance	\$	(4,161)	\$	(8,722)	\$	(36,142)	\$	(123,458)	\$	(4,396)	\$	(176,879)
Net book value	\$	44,094	\$	23,514	\$	35,033	\$	331,670	\$	21,897	\$	456,208

- (a) Of the \$133 million in additions for 2025, \$61 million was related to acquisitions and \$52 million was associated with right-of-use asset additions for new leases. Of the \$50 million in additions for 2024, \$2 million was related to acquisitions and \$19 million was associated with right-of-use asset additions for new leases. Of the \$42 million in additions for 2023, \$0.2 million was related to acquisitions and \$13 million was associated with right-of-use asset additions for new leases. Refer to Notes 5 and 20 for additional information regarding acquisitions and leases, respectively. The remaining additions were related to routine capital projects on the Company's compressor and gathering systems, as well as vehicle and equipment additions.
- (b) Buildings and leasehold improvements and motor vehicles include right-of-use assets associated with the Company's leases. Refer to Note 20 for additional information regarding leases.

The Company continued to utilize certain fully depreciated assets during the years ended December 31, 2025, 2024 and 2023 with an original cost basis of \$38 million, \$29 million and \$7 million, respectively.

Note 12 - Intangible Assets

Intangible assets consisted of the following for the periods presented:

(in thousands)	Year Ended December 31, 2025		
	Software	Other Acquired Intangibles	Total
Costs			
Beginning balance	\$ 42,342	\$ 3,862	\$ 46,204
Additions ^(a)	1,967	704	2,671
Disposals	—	—	—
Ending balance	\$ 44,309	\$ 4,566	\$ 48,875
Accumulated amortization			
Beginning balance	\$ (30,064)	\$ (960)	\$ (31,024)
Period changes	(6,665)	(387)	(7,052)
Disposals	—	—	—
Ending balance	\$ (36,729)	\$ (1,347)	\$ (38,076)
Net book value	\$ 7,580	\$ 3,219	\$ 10,799
	Year Ended December 31, 2024		
(in thousands)	Software	Other Acquired Intangibles	Total
Costs			
Beginning balance	\$ 44,449	\$ 4,224	\$ 48,673
Additions ^(a)	1,883	—	1,883
Disposals	(3,990)	(362)	(4,352)
Ending balance	\$ 42,342	\$ 3,862	\$ 46,204
Accumulated amortization			
Beginning balance	\$ (28,500)	\$ (822)	\$ (29,322)
Period changes	(5,554)	(500)	(6,054)
Disposals	3,990	362	4,352
Ending balance	\$ (30,064)	\$ (960)	\$ (31,024)
Net book value	\$ 12,278	\$ 2,902	\$ 15,180
	Year Ended December 31, 2023		
(in thousands)	Software	Other Acquired Intangibles	Total
Costs			
Beginning balance	\$ 39,306	\$ 7,124	\$ 46,430
Additions ^(a)	5,949	—	5,949
Disposals	(806)	(2,900)	(3,706)
Ending balance	\$ 44,449	\$ 4,224	\$ 48,673
Accumulated amortization			
Beginning balance	\$ (22,517)	\$ (2,815)	\$ (25,332)
Period changes	(6,789)	(907)	(7,696)
Disposals	806	2,900	3,706
Ending balance	\$ (28,500)	\$ (822)	\$ (29,322)
Net book value	\$ 15,949	\$ 3,402	\$ 19,351

- (a) For the years ended December 31, 2025, 2024 and 2023 additions were related to software enhancements and other acquired intangibles.

Note 13 - Derivative Financial Instruments

The Company faces volatility in market prices and basis differentials for natural gas, NGLs and oil, affecting the predictability of its cash flows from commodity sales. Additionally, the Company's cash flows related to interest payments variable rate debt obligations can be impacted by fluctuations in interest rate markets, depending on its debt structure. To manage these risks, the Company enters into derivative contracts primarily with major financial institutions and energy trading counterparties. As of December 31, 2025, these instruments included swaps, collars, basis swaps, and stand-alone put and call options. Below is a description of these instruments:

- Swaps:** When the Company sells a swap, it agrees to receive a fixed price for the contract while paying a floating market price to the counterparty;
- Collars:** Arrangements that include a fixed floor price (purchased put option) and a fixed ceiling price (sold call option) based on an index price have no net costs overall. At the contract settlement date, (1) when the index price is higher than the ceiling price, the Company pays the counterparty the difference between the index price and ceiling price, (2) when the index price is between the floor and ceiling prices, no payments are due from either party, and (3) when the index price is below the floor price, the Company will receive the difference between the floor price and the index price.
- Some collar arrangements may also include a sold put option with a strike price below the purchased put option. Known as a three-way collar, the structure operates similarly to the standard collar. However, when the index price settles below the sold put option, the Company pays the counterparty the difference between the index price and sold put option, effectively enhancing realized pricing by the difference between the price of the sold and purchased put options;
- Basis swaps:** Arrangements that guarantee a price differential for commodities from a specified delivery point. When the Company sells a basis swap, it receives a payment from the counterparty if the price differential exceeds the stated terms of the contract. Conversely, if the price differential is less than the stated terms, the Company pays the counterparty;
- Put options:** The Company purchases and sells put options in exchange for a premium. When the Company purchases a put option, it receives from the counterparty the excess amount (if any) by which the market price falls below the strike price of the put option at the time of settlement. If the market price is above the put option's strike price, no payment is required from either party. Conversely, when the Company sells a put option, it pays the counterparty the excess amount (if any) by which the market price falls below the strike price of the put option at the time of settlement. If the market price is above the put option's strike price, no payment is required from either party;
- Call options:** The Company purchases and sells call options in exchange for a premium. When the Company purchases a call option, it receives from the counterparty the excess amount (if any) by which the market price exceeds the strike price of the call option at the time of settlement. If the market price is below the call option's strike price, no payment is required from either party. When the Company sells a call option, it pays the counterparty the excess amount (if any) by which the market price exceeds the strike price of the call option at the time of settlement. If the market price is below the call option's strike price, no payment is required from either party; and

The Company may elect to enter into offsetting transactions for the above instruments for the purpose of cancelling or terminating certain positions.

The following table summarizes the Company's calculated fair value of derivatives as of the reporting date:

<i>(in thousands, except volume data)</i>	As of December 31, 2025	
	Volume	Fair Value
Natural gas (Mmbtu)		
Swaps	1,053,935	\$ (410,622)
Two-way collars	141,311	22,465
Three-way collars	19,586	(3,383)
Stand-alone calls ^(a)	78,227	(84,132)
Basis swaps	577,288	(17,176)
Purchased puts	7,978	2,170
Sold puts	16,537	(3,798)
Total natural gas	1,894,862	\$ (494,476)
NGLs (MBbls)		
Swaps	21,829	\$ 36,027
Stand-alone calls	913	(2,478)
Total NGLs	22,742	\$ 33,549
Oil (MBbls)		
Swaps	16,961	\$ 101,759
Three-way collars	730	4,017
Sold calls	1,571	(6,613)
Total oil	19,262	\$ 99,163
Interest		
SOFR interest rate swap (\$5,520 principal hedged, 4.15% fixed-rate)		\$ 90
Total interest		\$ 90
Total fair value of derivatives		\$ (361,674)

(a) Includes future cash settlements for deferred premiums.

Netting of derivative assets and liabilities is applied at each reporting date when a legal right of offset exists under a master netting arrangement. The Company elected to present these derivative assets and liabilities on a net basis when these conditions are satisfied. The following table outlines the Company's net derivatives as of the periods presented:

Derivative Financial Instruments (in thousands)	Consolidated Statement of Financial Position		December 31, 2025	December 31, 2024
Assets:				
Non-current assets	Derivative financial instruments	\$	81,702	\$ 28,439
Current assets	Derivative financial instruments		153,150	33,759
Total assets		\$	234,852	\$ 62,198
Liabilities:				
Non-current liabilities	Derivative financial instruments	\$	(440,567)	\$ (608,869)
Current liabilities	Derivative financial instruments		(155,959)	(163,676)
Total liabilities		\$	(596,526)	\$ (772,545)
Net assets (liabilities):				
Net assets (liabilities) - non-current	Other non-current assets (liabilities)	\$	(358,865)	\$ (580,430)
Net assets (liabilities) - current	Other current assets (liabilities)		(2,809)	(129,917)
Total net assets (liabilities)		\$	(361,674)	\$ (710,347)

The Company presents the fair value of derivative contracts on a net basis in the Consolidated Balance Sheets. Below is the impact of this presentation on the Company's recognized assets and liabilities for the specified periods:

(in thousands)	December 31, 2025		
	Presented without Effects of Netting	Effects of Netting	As Presented with Effects of Netting
Non-current assets	\$ 205,253	\$ (123,551)	\$ 81,702
Current assets	173,771	(20,621)	153,150
Total assets	\$ 379,024	\$ (144,172)	\$ 234,852
Non-current liabilities	(564,118)	123,551	(440,567)
Current liabilities	(176,580)	20,621	(155,959)
Total liabilities	\$ (740,698)	\$ 144,172	\$ (596,526)
Total net assets (liabilities)	\$ (361,674)	\$ —	\$ (361,674)

(in thousands)	December 31, 2024		
	Presented without Effects of Netting	Effects of Netting	As Presented with Effects of Netting
Non-current assets	\$ 90,635	\$ (62,196)	\$ 28,439
Current assets	77,801	(44,042)	33,759
Total assets	\$ 168,436	\$ (106,238)	\$ 62,198
Non-current liabilities	(671,300)	62,431	(608,869)
Current liabilities	(207,483)	43,807	(163,676)
Total liabilities	\$ (878,783)	\$ 106,238	\$ (772,545)
Total net assets (liabilities)	\$ (710,347)	\$ —	\$ (710,347)

The Company recorded the following gains (losses) on derivative financial instruments in the Consolidated Statement of Comprehensive Income for the specified periods:

(in thousands)	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Net gain (loss) on commodity derivatives settlements ^(a)	\$ 23,709	\$ 151,289	\$ 178,064
Net gain (loss) on interest rate swaps ^(a)	135	190	(2,722)
Gain (loss) on foreign currency hedges ^(a)	—	—	(521)
Total gain (loss) on settled derivative instruments	\$ 23,844	\$ 151,479	\$ 174,821
Gain (loss) on fair value adjustments of unsettled financial instruments ^(b)	193,843	(189,030)	905,695
Total gain (loss) on derivative financial instruments	\$ 217,687	\$ (37,551)	\$ 1,080,516

(a) Represents the cash settlement of hedges that were settled during the period.

(b) Represents the change in fair value of financial instruments, net of the carrying value of hedges that were settled during the period.

All derivatives are defined as Level 2 instruments because their valuation relies on inputs other than quoted prices, that are observable for the assets and liabilities.

Commodity Derivative Contract Modifications and Extinguishments

Occasionally, such as during the acquisition of producing assets, the completion of ABS financings, or in response to fluctuating price environments, the Company may strategically modify, offset, terminate, or expand certain existing hedge positions. These modifications can involve changes to the volume of production covered by contracts, the swap or strike price of specific derivative contracts, and other similar aspects of the derivative agreements. The Company manages distinct, long-dated derivative contract portfolios for its ABS financings and Term Loans. Additionally, the Company maintains a separate derivative contract portfolio for assets secured by the Credit Facility. These derivative contract portfolios associated with the Company's ABS financings, Term Loans, and Credit Facility are presented in the Company's Statement of Financial Position.

2025 Modifications and Extinguishments

In February 2025, the Company adjusted portions of its commodity derivative portfolio across its legal entities for approximately \$150 million in connection with the completion of the ABS X financing arrangement. The Company made further adjustments to its commodity derivative portfolio for approximately \$21 million for the retirement of the ABS I and Term Loan I financing arrangements.

The Company made no modifications in 2024.

2023 Modifications and Extinguishments

In February 2023, the Company sold puts in ABS III for approximately \$9 million and replaced them with swaps to maintain the appropriate level and composition of derivatives at both the legal entity and full-company level. In August 2023, the Company monetized \$9 million in purchased puts associated with its ABS hedge books and transitioned the monetized positions into long-dated swap agreements. The Company also monetized an additional \$8 million in net modifications, primarily comprised of swap terminations. As these modifications were made in the normal course of business for the year ended December 31, 2023, they are presented as an operating activity in the Consolidated Statement of Cash Flows.

In November 2023, the Company adjusted portions of its commodity derivative portfolio across its legal entities to ensure that it maintained the appropriate level and composition at both the legal entity and full-company level for the completion of the ABS VII financing arrangement. These portfolio adjustments included novations of certain contracts to the legal entities holding the ABS VII Notes. The Company paid \$6 million for these portfolio adjustments. As these modifications were associated with a borrowing transaction, these amounts are presented as a financing activity in the Consolidated Statement of Cash Flows. Refer to Note 21 for additional information regarding ABS financing arrangements.

Note 14 - Trade & Other Receivables

Trade receivables include amounts due from customers, entities that purchase the Company's natural gas, NGLs and oil production, as well as amounts due from joint interest owners who hold a working interest in the properties operated by the Company. Most of these trade receivables are current, and the Company is confident in their collectibility. The table below provides a summary of the Company's trade receivables. The fair value approximates the carrying value as of the periods presented:

<i>(in thousands)</i>	December 31, 2025	December 31, 2024
Commodity receivables ^(a)	\$ 315,561	\$ 175,058
Other receivables ^(b)	128,565	75,322
Total trade receivables	\$ 444,126	\$ 250,380
Allowance for credit losses ^(c)	(35,727)	(15,959)
Total trade receivables, net	\$ 408,399	\$ 234,421

(a) Commodity receivables include trade receivables and accrued revenues.

(b) Other receivables are predominantly comprised of joint interest receivables.

(c) The allowance for credit losses mainly pertains to amounts owed by joint interest owners. During the year ended December 31, 2025, the allowance for credit losses increased by \$20 million, primarily due to acquired balances from the Maverick and Canvas acquisitions.

Note 15 - Other Assets

The following table includes details of other assets as of the periods presented:

<i>(in thousands)</i>	December 31, 2025	December 31, 2024
Other non-current assets		
Other non-current assets ^(a)	\$ 14,436	\$ 6,270
Total other non-current assets	\$ 14,436	\$ 6,270
Other current assets		
Prepaid expenses	\$ 9,365	\$ 9,077
Inventory	27,800	9,591
Total other current assets	\$ 37,165	\$ 18,668

(a) Includes the Company's investment in DP Lion Equity Holdco LLC of \$12 million and \$6 million as of December 31, 2025 and 2024, respectively. Refer to Notes 5 and 21 for additional information regarding the DP Lion Equity Holdco LLC equity sale.

Note 16 - Common Stock

The Company is authorized to issue up to 350,000,000 shares of common stock, par value \$0.01 per share. As of December 31, 2025 and 2024, the Company had 76,979,625 and 50,649,844 shares of common stock issued and outstanding.

The Company is authorized to issue 30,000,000 shares of preferred stock, par value \$0.01 per share. No preferred shares have been issued or are outstanding.

In November 2025, the Company completed the U.S. Domestication, whereby existing shares of Diversified Energy Company PLC were exchanged on a one-for-one basis for newly issued shares of corresponding common stock of Diversified Energy Company, and all issued and outstanding equity awards of Diversified Energy Company PLC were assumed by Diversified Energy Company and were converted into rights to acquire Diversified Energy Company shares of common stock on the same terms. As a result of the U.S. Domestication, the par value of the Company's common stock was changed from £0.20 to \$0.01. The impact of this change is reflected within U.S. Domestication in the Statements of Changes in Equity.

Issuance of Common Stock

In November 2025, the Company issued 3,718,209 new shares of common stock direct to Canvas shareholders to fund a portion of the Canvas transaction. The total value of the stock consideration was \$54 million based on the Company's stock price on the NYSE on the closing date of the Canvas transaction.

In March 2025, the Company announced the completion of its previously announced acquisition of Maverick. The transaction was funded in part through the issuance of 21,194,213 new shares of common stock direct to the unitholders of Maverick. The total value of the stock consideration was \$253 million, excluding transaction costs of \$0.4 million, based on the Company's NYSE stock price on the closing date of the Maverick transaction.

In February 2025, the Company issued 8,500,000 new shares of common stock at \$14.50 per share to raise gross proceeds of \$123 million, excluding transaction costs of \$6 million. The Company used the net proceeds to repay a portion of the debt incurred in connection with the Maverick acquisition.

In October 2024, the Company issued 2,342,445 new shares of common stock direct to the Seller to fund a portion of the of the East Texas II transaction. The total value of the stock consideration was \$27 million based on the Company's NYSE stock price on the closing date of the East Texas II transaction.

In August 2024, the Company issued 2,249,650 new shares of common stock direct to Crescent Pass to fund a portion of the Crescent Pass transaction. The total value of the stock consideration was \$28 million based on the Company's NYSE stock price on the closing date of the Crescent Pass transaction.

In February 2023, the Company placed 6,422,200 new shares common stock at \$25.34 per share to raise gross proceeds of \$163 million. Associated costs of the placing were \$6 million. The Company used the proceeds to fund the Tanos II transaction.

For detailed information regarding the acquisitions mentioned above, refer to Note 5.

Treasury Stock

The Company's holdings in its own equity instruments are classified as treasury stock. The consideration paid, along with any directly attributable incremental costs, is deducted from the Company's stockholders' equity until the shares are either cancelled or reissued. No gain or loss is recognized in the Consolidated Statement of Comprehensive Income (Loss) upon the purchase, sale, issuance, or cancellation of treasury stock.

Employee Benefit Trust ("EBT")

In March 2022, the Company established the EBT to benefit its employees. The Company provides funding to the EBT to facilitate the acquisition of shares. These shares are held in the EBT to fulfill awards and grants under the Company's 2017 and 2025 Equity Incentive Plans and the Employee Share Purchase Plan (the "ESPP"). Shares held in the EBT are treated in the same manner as treasury shares and are thus included in the Consolidated Financial Statements as treasury stock.

During the years ended December 31, 2025 and 2024, 1,657,000 and 418,151 shares were acquired by the EBT for approximately \$23 million and \$5 million, respectively. As of December 31, 2025, the EBT held a total of 2,048,703 shares. For further details related to share-based compensation, refer to Note 17 .

Repurchase of Common Stock

During the year ended December 31, 2025, the Company repurchased 5,680,036 treasury stock at an average price of \$13.65 per share, amounting to a total of \$78 million and representing 7% of issued common stock as of December 31, 2025. During the year ended December 31, 2024, the Company repurchased 1,219,879 shares of treasury stock at an average price of \$13.03 per share, amounting to a total of \$16 million and representing 2% of issued common stock as of December 31, 2024.

The Company has recorded the repurchase of these shares as a reduction in the treasury reserve. All repurchased treasury stock was cancelled upon repurchase. As of December 31, 2025 and 2024, the par value of the cancelled shares amounted to \$1.2 million and \$0.3 million, respectively, was retired into the capital redemption reserve, which is included within share-based payments and other reserves in the Consolidated Statement of Financial Position.

The following tables summarize the Company's share capital, net of customary transaction costs, for the periods presented:

<i>(in thousands, except share data)</i>	Number of Shares	Total Share Capital	Total Share Premium
Balance as of December 31, 2022	41,446,773	\$ 11,503	\$ 1,052,959
Issuance of share capital (equity placement)	6,422,200	1,555	155,233
Issuance of EBT shares (equity compensation)	334,251	—	—
Repurchase of shares (share buyback program)	(646,762)	(161)	—
Balance as of December 31, 2023	47,556,462	\$ 12,897	\$ 1,208,192
Issuance of share capital (acquisition consideration)	4,592,095	1,185	54,519
Issuance of EBT shares (equity compensation)	139,317	—	—
Repurchase of shares (EBT)	(418,151)	—	—
Repurchase of shares (share buyback program)	(1,219,879)	(320)	—
Balance as of December 31, 2024	50,649,844	\$ 13,762	\$ 1,262,711
Issuance of share capital (equity placement)	8,500,000	2,130	115,338
Issuance of share capital (acquisition consideration)	24,912,422	5,526	53,942
Issuance of EBT shares (equity compensation)	254,395	—	—
Repurchase of shares (EBT)	(1,657,000)	—	—
Repurchase of shares (share buyback program)	(5,680,036)	(1,153)	—
U.S. Domestication	—	(19,496)	19,496
Balance as of December 31, 2025	76,979,625	769	1,451,487

Note 17 - Non-Cash Share-Based Compensation

Equity Incentive Plans

The 2017 Equity Incentive Plan (the "Plan"), as amended through April 9, 2025, authorized and reserved for issuance up to 10% of the Company's shares of common stock outstanding, which may be issued upon exercise of vested options or the vesting of RSUs, PSUs and dividend equivalent units ("DEUs") that were granted under the Plan. As of November 21, 2025, 3,947,882 shares were subject to awards outstanding under the 2017 Plan.

On November 21, 2025, the Company adopted the 2025 Equity Incentive Plan (the "2025 Plan"). The 2025 Plan authorized and reserved for issuance a total of 6,892,551 shares of common stock, consisting of 2,944,669 shares of common stock plus the 3,947,882 shares of common stock subject to awards outstanding under the 2017 Plan as of November 21, 2025 that are not issued because such award is forfeit, canceled, terminates, expires or otherwise lapses, or is settled in cash or withheld by the Company in satisfaction of the exercise price or tax withholding obligations. As of December 31, 2025, there were 2,889,420 shares of common stock available for grant under the 2025 Plan.

Upon adoption of the 2025 Plan, no new awards may be granted under the 2017 Plan, and any shares that were previously authorized and reserved for issuance under the 2017 Plan, but not subject to outstanding awards as of November 21, 2025, are no longer available for grant. Only shares underlying outstanding awards under the 2017 Plan as of that date may be issued if and when those awards vest or are exercised. All future equity awards will be made exclusively under the 2025 Plan.

Options Awards

The following table summarizes Options award activity for the respective periods presented:

	Number of Options ^(a)	Weighted Average Grant Date Fair Value per Share
Balance as of December 31, 2022	375,964	\$ 8.21
Granted	—	—
Exercised ^(b)	(2,144)	6.60
Forfeited	(153,379)	8.25
Balance as of December 31, 2023	220,441	\$ 8.20
Granted	—	—
Exercised ^(b)	—	—
Forfeited	(66,810)	11.14
Balance as of December 31, 2024	153,631	\$ 6.93
Granted	—	—
Exercised ^(b)	—	—
Forfeited	(13,837)	6.60
Balance as of December 31, 2025	139,794	\$ 6.96

(a) As of December 31, 2025, 2024 and 2023, 139,794, 153,631 and 162,108 Options were exercisable, respectively. As of December 31, 2025 all remaining Options outstanding have an exercise price ranging from £16.80 to £24.00 and a weighted average remaining contractual life of 2.4 years.

(b) No Options were exercised during 2025 and 2024. The weighted average exercise date share price was \$24.29 for Options exercised during 2023.

The Company's Options ratably vested over a three-year period and contained both performance and service metrics. The performance metrics included Adjusted EPS as compared to pre-established benchmarks and a calculation that compared the Company's TSR to pre-established benchmarks. The number of units that vested ranged between 0% and 100% of the award. The fair value of the Company's Options was calculated using the Black-

Scholes model as of the grant date and was uniformly expensed over the vesting periods. No Options were awarded during the years ended December 31, 2025, 2024 and 2023.

RSU Awards

The following table summarizes RSU equity award activity for the respective periods presented:

	Number of Shares	Weighted Average Grant Date Fair Value per Share
Balance as of December 31, 2022	337,005	\$ 27.47
Granted	252,869	22.35
Vested	(181,275)	23.08
Forfeited	(102,018)	27.54
Balance as of December 31, 2023	306,581	\$ 25.82
Granted	764,411	12.40
Vested	(65,293)	30.97
Forfeited	(29,477)	20.08
Balance as of December 31, 2024	976,222	\$ 15.14
Granted	1,143,571	11.21
Vested	(108,223)	28.68
Forfeited	(40,663)	12.76
Balance as of December 31, 2025	1,970,907	\$ 12.17

RSUs can vest either on a cliff basis or ratably, depending on the service conditions set forth. The fair value of the Company's RSUs is calculated using the stock price at the grant date. This value is then expensed uniformly over the vesting period.

PSU Awards

The following table summarizes PSU equity award activity for the respective periods presented:

	Number of Shares	Weighted Average Grant Date Fair Value per Share
Balance as of December 31, 2022	568,489	\$ 25.57
Granted	349,028	16.66
Vested	(216,313)	23.85
Forfeited	(89,518)	20.30
Balance as of December 31, 2023	611,686	\$ 21.87
Granted	525,596	9.10
Vested	(93,256)	18.90
Forfeited	(78,723)	19.37
Balance as of December 31, 2024	965,303	\$ 15.41
Granted	536,884	8.45
Vested	(174,897)	22.43
Forfeited	(20,600)	10.96
Balance as of December 31, 2025	1,306,690	\$ 11.68

PSUs are subject to cliff vesting based on specific performance criteria evaluated over a three-year period. These criteria include the average adjusted return on equity over three years, measured against pre-established benchmarks. Additionally, the Company's three-year TSR is compared to determined benchmarks and the TSR of a selected group of peer companies. Other performance metrics include the three-year average growth in free cash flow and the reduction in methane intensity over the same period. Depending on the achievement of these performance targets, the number of units that will vest can vary from 0% to 100% of the initial award.

The fair value of the Company's PSUs is determined using a Monte Carlo simulation model as of the grant date. This calculated fair value is then expensed uniformly over the vesting period. For PSUs granted during the respective periods presented, the inputs to the Monte Carlo model included the following:

	December 31, 2025	December 31, 2024	December 31, 2023
Risk-free rate of interest	3.8%	4.0%	3.3%
Volatility ^(a)	42%	38%	31%
Correlation with comparator group range	0.14 - 0.33	0.02 - 0.32	0.01 - 0.30

(a) Volatility utilizes the historical volatility for the Company's share price.

Employee Stock Purchase Plan

The Employee Stock Purchase Plan (the "ESPP"), implemented in February 2023, authorized and reserved for issuance 300,000 shares of common stock.

During the year ended December 31, 2025, 40,932 shares were purchased by and issued to ESPP participants. During the year ended December 31, 2024, 41,330 shares were purchased by and issued to ESPP participants. As of December 31, 2025, 202,606 shares remain available to be purchased.

Share-Based Compensation Expense

The following table presents the share-based compensation expense for the respective periods presented:

<i>(in thousands)</i>	December 31, 2025	December 31, 2024	December 31, 2023
Options	\$ —	\$ 49	\$ 292
RSUs	6,665	4,359	2,833
PSUs	3,676	3,827	3,335
ESPP	57	51	34
Total share-based compensation expense	\$ 10,398	\$ 8,286	\$ 6,494

Note 18 - Dividends

The following table summarizes the Company's dividends declared and paid on the dates indicated (in thousands, except share and per share data):

Date Dividends Declared	Dividend per Share		Record Date	Pay Date	Shares Outstanding	Gross Dividends Paid
	USD	GBP				
November 12, 2024	\$ 0.290	£ 0.2224	February 28, 2025	March 31, 2025	59,149,844	\$ 17,153
April 9, 2025	\$ 0.290	£ 0.2125	May 30, 2025	June 30, 2025	78,174,894	22,671
May 12, 2025	\$ 0.290	£ 0.2132	August 29, 2025	September 30, 2025	77,358,301	22,434
August 11, 2025	\$ 0.290	£ 0.2163	December 1, 2025	December 31, 2025	78,436,154	22,747
Paid during the year ended December 31, 2025						\$ 85,005
November 15, 2023	\$ 0.875	£ 0.6844	March 1, 2024	March 28, 2024	47,221,488	\$ 41,319
April 10, 2024	\$ 0.290	£ 0.2283	May 24, 2024	June 28, 2024	47,062,984	13,648
May 9, 2024	\$ 0.290	£ 0.2211	August 30, 2024	September 27, 2024	49,005,036	14,211
August 15, 2024	\$ 0.290	£ 0.2279	November 29, 2024	December 27, 2024	50,642,261	14,686
Paid during the year ended December 31, 2024						\$ 83,864
November 14, 2022	\$ 0.875	£ 0.7220	March 3, 2023	March 28, 2023	47,868,969	\$ 41,885
March 21, 2023	\$ 0.875	£ 0.6860	May 26, 2023	June 30, 2023	48,164,650	42,144
May 9, 2023	\$ 0.875	£ 0.7040	September 1, 2023	September 29, 2023	48,157,129	42,137
September 1, 2023	\$ 0.875	£ 0.6840	December 1, 2023	December 29, 2023	47,856,570	41,875
Paid during the year ended December 31, 2023						\$ 168,041

On November 3, 2025 the Company proposed a dividend of \$0.29 per share. The dividend will be paid on March 31, 2026 to shareholders on the register on February 27, 2026. This dividend was not approved by shareholders, thereby qualifying it as an "interim" dividend. No liability was recorded in the Company Financial Statements in respect of this interim dividend as of December 31, 2025.

Dividends are waived on shares held in the EBT.

Note 19 - Asset Retirement Obligations

The Company records a liability for the present value of the estimated future decommissioning costs associated with its natural gas and oil properties. Additionally, the Company records a liability for the future decommissioning costs of its production facilities and pipelines when required by contract, statute, or constructive obligation. For the years ended December 31, 2025, 2024 and 2023, no state contractual agreements or statutes related to production facilities and pipelines are expected to impose material obligations on the Company.

In estimating the present value of future decommissioning costs for its natural gas and oil properties, the Company considers several factors, including the number and state jurisdictions of wells, current decommissioning costs by state and well type, and the Company's retirement plan, which is based on state requirements and the Company's capacity to retire wells over their productive lives. The Company's assumptions are grounded in the current economic environment and are believed to provide a reasonable basis for estimating the future liability. However, actual decommissioning costs will ultimately depend on future market prices at the time the decommissioning services are performed. Additionally, the timing of decommissioning will vary based on when the fields cease to produce economically, which is influenced by future natural gas and oil prices and the retirement schedule. These factors are inherently uncertain.

The Company incorporates annual inflationary cost increases into its current cost expectations and then discounts the resulting cash flows using a credit-adjusted risk-free discount rate. The inflationary adjustment is based on the U.S. long-term 10-year rate, sourced from consensus economics. In determining the discount rate of the liability, the Company considers treasury rates as well as the Bloomberg 15-year U.S. Energy BB and BBB bond index, which aligns economically with the underlying long-term and unsecured liability. Based on this evaluation, the net discount rates used in the calculation of the decommissioning liability were 3.3% for 2025, 3.7% for 2024, and 3.4% for 2023.

The composition of the provision for asset retirement obligations as of the reporting date is detailed below for the periods presented:

(in thousands)	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Balance at beginning of period	\$ 648,578	\$ 506,648	\$ 457,083
Additions ^(a)	342,149	111,265	3,250
Accretion	50,524	30,868	26,926
Asset retirement costs	(22,787)	(6,724)	(5,961)
Disposals ^(b)	(3,480)	—	(17,300)
Revisions to estimate ^(c)	245,024	6,521	42,650
Balance at end of period	\$ 1,260,008	\$ 648,578	\$ 506,648
Less: Current asset retirement obligations	26,693	6,436	5,402
Non-current asset retirement obligations	\$ 1,233,315	\$ 642,142	\$ 501,246

(a) For further details regarding acquisitions and divestitures, refer to Note 5.

(b) Disposals are related to the divestiture of natural gas and oil properties. For additional information, refer to Note 10.

(c) As of December 31, 2025, the Company performed normal revisions to its asset retirement obligations, which resulted in a \$245 million increase in the liability. This increase was comprised of a \$226 million increase attributable to a lower discount rate as a result of a decrease in bond yield volatility during the year, and a \$97 million increase for cost revisions. Partially offsetting the increase was and a \$78 million decrease attributed to retirement timing. As of December 31, 2024, the Company performed normal revisions to its asset retirement obligations, which resulted in a \$7 million increase in the liability. This increase was comprised of a \$95 million increase for cost revisions and a \$0.4 million increase attributed to retirement timing. Partially offsetting the increase \$89 million decrease attributable to a higher discount rate as a result of an increase in bond yield volatility during the year. As of December 31, 2023, the Company performed normal revisions to its asset retirement obligations, which resulted in a \$43 million increase in the liability. This increase was comprised of a \$28 million increase attributable to a lower discount rate as a result of slightly decreased bond yields as compared to 2022 as inflation began to increase at a lower rate and a \$16 million increase for cost revisions. Partially offsetting this increase was a \$1 million change attributed to retirement timing.

Changes to assumptions used in estimating the Company's asset retirement obligations could significantly affect the carrying value of the liability. A reasonably possible adjustment in these assumptions could have the following impact on the Company's asset retirement obligations as of December 31, 2025:

ARO Sensitivity (in thousands)	Scenario 1 ^(a)	Scenario 2 ^(b)
Discount rate	\$ 339,428	\$ (1,684,883)
Timing	66,035	(71,590)
Cost	118,767	(118,767)

(a) Scenario 1 assumes an increase of the BBB 15-year discount rate to approximately 7% (which is one of the highest rates observed since 2020), a 10% increase in cost and a 10% increase in timing by assuming the addition of one plugging rig, which would accelerate retirement plans. All of these scenarios have been either historically observed or are considered reasonably possible.

(b) Scenario 2 assumes a decrease of the BBB 15-year discount rate to approximately 3% (which is one of the lowest rates observed since 2020), a 10% decrease in cost and a 10% decrease in timing by assuming the loss of one plugging rig, which would delay retirement plans. All of these scenarios have been either historically observed or are considered reasonably possible.

Note 20 - Leases

The Company leased automobiles, equipment and real estate for the periods indicated below. The following is a reconciliation of leases arising from financing activities, along with the balance sheet classification of future minimum lease payments as of the reporting periods presented:

(in thousands)	Present Value of Minimum Lease Payments		
	December 31, 2025	December 31, 2024	December 31, 2023
Balance at beginning of period	\$ 44,600	\$ 31,122	\$ 28,862
Additions ^(a)	49,780	19,253	14,430
Interest expense ^(b)	5,166	2,649	1,661
Cash inflows ^(c)	—	8,568	—
Cash outflows ^(d)	(23,842)	(16,992)	(13,831)
Balance at end of period	\$ 75,704	\$ 44,600	\$ 31,122
Classified as:			
Current liability	\$ 24,167	\$ 13,776	\$ 10,563
Non-current liability	51,537	30,824	20,559
Total	\$ 75,704	\$ 44,600	\$ 31,122

(a) The lease additions of \$50 million, \$19 million and \$14 million for the years ended December 31, 2025, 2024 and 2023, respectively, were primarily due to the expansion of the Company's fleet, driven by ongoing growth.

(b) Included as a component of finance cost.

(c) Cash inflows consisted of proceeds from a lease modification for our fleet that was executed in 2024.

(d) Cash outflows consisted of \$18.8 million, \$14.3 million, and \$12.2 million in principal payments for the years ended December 31, 2025, 2024 and 2023, respectively, and \$5.2 million, \$2.6 million, and \$1.7 million in interest payments for the same periods, respectively.

Outlined below is the movement in the Company's right-of-use assets, along with their balance sheet classification as of the reporting periods presented:

(in thousands)	Right-of-Use Assets		
	December 31, 2025	December 31, 2024	December 31, 2023
Balance at beginning of period	\$ 36,056	\$ 30,014	\$ 27,959
Additions ^(a)	52,059	19,007	13,279
Depreciation	(20,344)	(12,965)	(11,224)
Balance at end of period	\$ 67,771	\$ 36,056	\$ 30,014
Classified as:			
Motor vehicles	\$ 58,608	\$ 32,843	\$ 25,592
Midstream	1,395	1,785	3,136
Equipment	5,382	—	—
Buildings and leasehold improvements	2,386	1,428	1,286
Total	\$ 67,771	\$ 36,056	\$ 30,014

(a) The lease additions of \$52 million, \$19 million and \$13 million for the years ended December 31, 2025, 2024 and 2023, respectively, were attributable to the expansion of the Company's fleet, driven by ongoing growth.

The range of discount rates applied in calculating right-of-use assets and the corresponding lease liabilities, based on the lease term, is detailed below:

	December 31, 2025	December 31, 2024	December 31, 2023
Discount rates range	4.37% - 10.95%	2.9% - 7.3%	1.8% - 7.1%

Expenses related to short-term and low-value lease exemptions applied under IFRS 16, primarily associated with short-term compressor rentals, amounted to \$45 million, \$31 million and \$30 million for the years ended December 31, 2025, 2024 and 2023, respectively. These expenses have been included in the Company's operating expenses, with a significant portion allocated to LOE.

The table below illustrates the maturity schedule of leases as of the periods presented:

(in thousands)	December 31, 2025	December 31, 2024	December 31, 2023
Not Later Than One Year	\$ 24,167	\$ 13,776	\$ 10,563
Later Than One Year and Not Later Than Five Years	50,967	30,733	20,559
Later Than Five Years	570	91	—
Total	\$ 75,704	\$ 44,600	\$ 31,122

Note 21 - Borrowings

The Company's borrowings consist of the following amounts as of the reporting periods presented:

(in thousands)	December 31, 2025	December 31, 2024
Credit Facility (interest rate of 7.04% and 8.63%, respectively) ^(a)	\$ 485,400	\$ 284,400
Term Loan I (interest rate of 6.50%)	—	88,948
Term Loan II (interest rate of 8.83%) ^(a)	—	83,851
ABS I Notes (interest rate of 5.00%)	—	80,157
ABS II Notes (interest rate of 5.25%)	—	102,431
ABS IV Notes (interest rate of 4.95%)	64,560	79,653
ABS VI Notes (interest rate of 7.50%) ^(b)	191,651	242,010
ABS VIII Notes (interest rate of 7.28%)	546,340	585,747
ABS IX Notes (interest rate of 6.891%)	67,177	75,316
ABS X Notes (interest rate of 7.07%)	488,369	—
ABS XI Notes (interest rate of 6.61%)	400,000	—
ABS Maverick Notes (interest rate of 9.10%)	412,244	—
Nordic Bonds (interest rate of 9.75%)	300,000	—
Other miscellaneous borrowings ^(c)	29,504	113,060
Total borrowings	\$ 2,985,245	\$ 1,735,573
Less: Current portion of long-term debt	(236,553)	(209,463)
Less: Deferred financing costs	(42,630)	(34,115)
Plus: Market premiums	8,133	—
Less: Original issue discounts	(9,748)	(8,216)
Total non-current borrowings, net	\$ 2,704,447	\$ 1,483,779

(a) Represents the variable interest rate as of period end.

- (b) Includes \$133 million for the assumption of Oaktree's proportionate share of the ABS VI debt as part of the Oaktree transaction as of December 31, 2024. Refer to Note 5 for additional information regarding the Oaktree transaction.
- (c) Includes \$76 million in notes payable issued as part of the consideration in the Oaktree transaction as of December 31, 2024. Includes \$30 million in notes payable issued by a third party financial institution in November 2024, collateralized by two natural gas processing plants and related support equipment in the Central Region. As of December 31, 2025, this notes payable balance was \$23 million. Refer to Note 5 for additional information regarding the Oaktree transaction.

Credit Facility

The Company maintains a Credit Facility with a lending syndicate, the borrowing base for which is redetermined semi-annually or as needed. The Company's wholly owned subsidiary, DP RBL Co LLC, serves as the borrower under the Credit Facility. The borrowing base is primarily determined by the value of the natural gas and oil properties that serve as collateral for the lending arrangement, and it may fluctuate due to changes in collateral, which can result from acquisitions or the establishment of ABS, term loans, or other lending structures.

In March 2025, in connection with the close of the Maverick acquisition, the Company amended and restated the credit agreement governing its Credit Facility. The amendment and restatement extended the maturity of the Credit Facility to March 2029 and increased the borrowing base to \$900 million, primarily resulting from the additional collateral acquired in the Maverick acquisition. The Company utilized the proceeds from the upsized borrowing base to fund a portion of the Maverick acquisition and repay the outstanding principal on Term Loan II. Refer to Note 5 for additional information regarding acquisitions. During the semi-annual redetermination in October 2025, the borrowing base was reduced to \$825 million.

The Credit Facility has an interest rate of SOFR plus an additional spread ranging from 2.75% to 3.75%, based on utilization. Interest payments on the Credit Facility are paid on a quarterly basis. Available borrowings under the Credit Facility were \$305 million as of December 31, 2025, which considers the impact of \$35 million in letters of credit issued to certain vendors.

Term Loan I

In May 2020, the Company acquired DP Bluegrass LLC, a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to facilitate a securitized financing agreement for \$160 million, structured as a secured term loan (the "Term Loan I"). The Company issued Term Loan I at a 1% discount, resulting in net proceeds of \$158 million, which were used to fund the 2020 Carbon and EQT acquisitions. Term Loan I was secured by certain producing assets acquired in connection with these acquisitions.

Term Loan I accrued interest at an annual rate of 6.50% and had a maturity date of May 2030. Both interest and principal payments on Term Loan I are made on a monthly basis.

In February 2025, Term Loan I was repaid and retired from the Company's outstanding debt.

Term Loan II

In August 2024, the Company formed DP Yellow Jacket Holdco LLC, a limited-purpose, bankruptcy-remote, wholly-owned subsidiary to enter into a securitized financing agreement for a \$60 million term loan and a \$5,000 revolving loan for a total borrowing base of \$65 million (the "Term Loan II"). The proceeds from Term Loan II were used, in part, to fund the Crescent Pass acquisition. For additional information regarding acquisitions, refer to Note 5.

In October 2024, the Company amended the Term Loan II and expanded the term loan to \$83 million and the revolving loan to \$12 million for a total borrowing base of \$95 million. This amendment was accounted for as an extinguishment, which resulted in a loss of \$2 million, recorded in 'loss on early retirement of debt' in the Statement of Comprehensive Income (Loss). The expanded borrowing capacity was used to fund a portion of the East Texas II acquisition, and the acquired assets additionally collateralized the expanded Term Loan II.

The Term Loan II was secured by the Crescent Pass and East Texas II assets and carried an interest at SOFR plus an additional spread ranging from 3.75% to 4.75% and was payable quarterly. The term loan was subject to fixed amortization with monthly principal payments of \$0.5 million beginning in February 2025 and escalating to \$1 million beginning in July 2025 with the remaining unpaid principal balance due upon maturity in August 2027. The Term Loan II was to be prepaid if the Company received cash in connection with an issuance of equity interest or ABS monetization.

In March 2025, the Term Loan II was repaid and retired from the Company's outstanding debt.

ABS I Notes

In November 2019, the Company formed Diversified ABS LLC ("ABS I"), a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to issue BBB-rated asset-backed securities with a total principal amount of \$200 million at par value (the "ABS I Notes"). These notes were secured by specific upstream producing assets in the Appalachian region owned by the Company. At the time of the agreement, 85% of the natural gas production from these assets was hedged through long-term derivative contracts. The ABS I Notes carried an annual interest rate of 5% and had a legal final maturity date of January 2037, with an amortizing maturity date of December 2029. Both interest and principal payments on the ABS I Notes were made on a monthly basis.

In February 2025, the ABS I Notes were repaid and retired from the Company's outstanding debt.

ABS II Notes

In April 2020, the Company formed Diversified ABS Phase II LLC ("ABS II"), a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to issue BBB-rated asset-backed securities with a total principal amount of \$200 million (the "ABS II Notes"). These notes were issued at a 2.775% discount. The Company utilized the net proceeds of \$184 million, after accounting for the discount, capital reserve requirement, and debt issuance costs, to reduce its Credit Facility. The ABS II Notes were secured by specific upstream producing assets in the Appalachian region owned by the Company. At the time of the agreement, 85% of the natural gas production from these assets was hedged through long-term derivative contracts. The ABS II Notes carried an annual interest rate of 5.25% and had a legal final maturity date of July 2037, with an amortizing maturity date of September 2028. Both interest and principal payments on the ABS II Notes were made on a monthly basis.

In February 2025, the ABS II Notes were repaid and retired from the Company's outstanding debt.

ABS III Notes

In February 2022, the Company formed Diversified ABS III LLC ("ABS III"), a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to issue BBB rated asset-backed securities with a total principal amount of \$365 million at par value (the "ABS III Notes"). These notes were secured by certain upstream producing and midstream assets in the Appalachian region owned by the Company. The ABS III Notes carried an interest rate of 4.875% and had a legal final maturity date of April 2039, with an amortizing maturity date of November 2030. Both interest and principal payments on the ABS III Notes were made on a monthly basis.

In May 2025, the ABS III Notes were repaid and retired from the Company's outstanding debt.

ABS IV Notes

In February 2022, the Company formed Diversified ABS IV LLC ("ABS IV"), a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to issue BBB rated asset-backed securities with a total principal amount of \$160 million at par value (the "ABS IV Notes"). These notes are secured by a portion of the upstream producing assets acquired through the Blackbeard Acquisition. The ABS IV Notes carry an annual interest rate of 4.95% and have a legal final maturity date of February 2037, with an amortizing maturity date of September 2030. Both interest and principal payments on the ABS IV Notes are made on a monthly basis.

ABS V Notes

In May 2022, the Company formed Diversified ABS V LLC ("ABS V"), a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to issue BBB rated asset-backed securities with a total principal amount of \$445 million at par value (the "ABS V Notes"). These notes were secured by a majority of the Company's remaining upstream assets in the Appalachian region that were not included in previous ABS transactions. The ABS V Notes carried an annual interest rate of 5.78% and had a legal final maturity date of May 2039, with an amortizing maturity date of December 2030. Both interest and principal payments on the ABS V Notes were made on a monthly basis.

In May 2025, the ABS V Notes were repaid and retired from the Company's outstanding debt.

ABS VI Notes

In October 2022, the Company formed Diversified ABS VI LLC ("ABS VI"), a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to issue, jointly with Oaktree, BBB+ rated asset-backed securities with a total principal amount of \$460 million. The Company's share amounted to \$236 million before fees, reflecting its 51.25% ownership interest in the collateral assets (the "ABS VI Notes"). The ABS VI Notes were issued at a 2.63% discount and are primarily secured by the upstream assets jointly acquired with Oaktree in the Tapstone acquisition. The Company recorded its proportionate share of the ABS VI Notes in its Consolidated Statement of Financial Position. In June, 2024, as part of the Oaktree transaction, the Company assumed Oaktree's proportionate debt of \$133 million associated with the ABS VI Notes. For additional details regarding the Oaktree transaction, refer to Note 5.

The ABS VI Notes carry an annual interest rate of 7.50% and have a legal final maturity date of November 2039, with an amortizing maturity date of October 2031. Both interest and principal payments on the ABS VI Notes are made on a monthly basis.

ABS VII Notes

In November 2023, the Company formed DP Lion Equity Holdco LLC ("ABS VII"), a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to issue Class A and Class B asset-backed securities (the "Class A Notes," "Class B Notes," and collectively the "ABS VII Notes"). These notes are secured by certain upstream producing assets in the Appalachia region. The ABS VII Class A Notes, rated BBB+, were issued with a total principal amount of \$142 million, while the ABS VII Class B Notes, rated BB-, were issued with a total principal amount of \$20 million. The Class A Notes carry an annual interest rate of 8.243% and have a legal final maturity date of November 2043, with an amortizing maturity date of February 2034. The Class B Notes carry an annual interest rate of 12.725% and have a legal final maturity date of November 2043, with an amortizing maturity date of August 2032. Both interest and principal payments on the Class A and Class B Notes are made on a monthly basis.

In December 2023, the Company divested 80% of the equity ownership in ABS VII to outside investors, generating cash proceeds of \$30 million. Upon evaluating the remaining 20% interest in ABS VII, the Company determined that the governance structure does not allow it to exercise control, joint control, or significant influence over the entity. Consequently, ABS VII is not consolidated within the Company's financial statements. The Company's remaining investment in ABS VII, initially valued at \$8 million was accounted for at fair value in accordance with IFRS 9, Financial Instruments ("IFRS 9"). For additional information regarding the ABS VII equity sale, refer to Note 5. As of December 31, 2025, the Company's investment in ABS VII was valued at \$11,921.

ABS VIII Notes

In May 2024, the Company formed Diversified ABS VIII LLC ("ABS VIII"), a limited-purpose, bankruptcy-remote, wholly-owned subsidiary, to issue Class A-1 and Class A-2 asset-backed securities (the "Class A-1 Notes," "Class A-2 Notes," and collectively the "ABS VIII Notes"). The Class A-1 Notes, rated A, were issued with a total principal amount of \$400 million, while the Class A-2 Notes, rated BBB+, were issued with a total principal amount of \$210 million. The proceeds from these issuances were used to repay the outstanding principal of the ABS III & ABS V notes, effectively retiring those notes from the Company's outstanding debt. Consequently, ABS III and ABS V were dissolved. The ABS VIII Notes are secured by the collateral that previously secured the ABS III and ABS V notes, which includes certain upstream producing and midstream assets in the Appalachian region owned by the Company, and the remaining upstream assets in the Appalachian region that were not securitized by previous ABS transactions.

The Class A-1 Notes carry an annual interest rate of 7.076% and have a legal final maturity date of May 2044. The Class A-2 Notes carry an annual interest rate of 7.670% and have a legal final maturity date of May 2044. Both interest and principal payments on the ABS VIII Notes are made on a monthly basis.

ABS IX Notes

In June 2024, the Company formed DP Mustang Holdco LLC, a limited-purpose, bankruptcy-remote, wholly-owned subsidiary ("ABS IX," formerly "ABS Facility Warehouse"), to secure a bridge loan facility (the "ABS Facility Warehouse Notes"). The initial draw on the ABS Facility Warehouse Notes amounted to \$71 million, which included \$66 million in net proceeds, \$3 million in restricted cash interest reserve, and \$2 million in debt issuance costs. The ABS Facility Warehouse Notes were secured by certain producing assets that previously collateralized the Credit Facility. It carried an interest rate of SOFR plus an additional 3.75% and had a legal final maturity date of May 2029. Both interest and principal payments on the ABS Facility Warehouse Notes were made on a monthly basis.

In September 2024, the Company issued Class A and Class B asset-backed securities (the "Class A Notes," "Class B Notes," and collectively the "ABS IX Notes") with a total principal amount of \$77 million. The Class A Notes were issued with a total principal amount of \$71 million, while the Class B Notes

were issued with a total principal amount of \$6 million. The proceeds from these issuances were used to repay the outstanding principal of the ABS Facility Warehouse Notes, effectively retiring it from the Company's outstanding debt and resulting in a loss on the early retirement of debt amounting to \$2 million. The Class A Notes carry an annual interest rate of 6.555% and have an amortizing maturity date of December 2034. The Class B Notes carry an annual interest rate of 11.235% and have an amortizing maturity date of September 2030. Both interest and principal payments on the ABS IX Notes are made on a monthly basis.

ABS X Notes

In February 2025, the Company formed Diversified ABS Phase X LLC, a limited-purpose, bankruptcy-remote, wholly-owned subsidiary ("ABS X"), to issue Class A-1, Class A-2, and Class B asset-backed securities (the "Class A-1 Notes," "Class A-2 Notes," "Class B Notes," and collectively the "ABS X Notes") with a total principal amount of \$530 million. The Class A-1 Notes, rated A-, were issued with a total principal amount of \$200 million. The Class A-2 Notes, rated BBB, were issued with a total principal amount of \$240 million. The Class B Notes, rated BB-, were issued with a total principal amount of \$90 million. The proceeds from these issuances were used to repay the outstanding principal of the ABS I Notes, ABS II Notes, and Term Loan I, effectively retiring those notes from the Company's outstanding debt. The ABS X Notes are secured by certain upstream producing assets in the Appalachian Region owned by the Company, including those that previously collateralized the ABS I Notes, ABS II Notes, and Term Loan I. Excess proceeds from the issuance of the Notes were used to fund the Summit acquisition and for general corporate purposes. Refer to Note 4 for additional information regarding acquisitions.

The Class A-1 Notes carry an annual interest rate of 5.945%. The Class A-2 Notes carry an annual interest rate of 6.751%. The Class B Notes carry an annual interest rate of 10.398%. These notes have a legal final maturity date of February 2045. Both interest and principal payments on the ABS X Notes are made on a monthly basis.

ABS Maverick Notes

In February 2025, the Company formed Maverick ABS Holdings LLC, a limited-purpose, bankruptcy-remote, wholly-owned subsidiary ("ABS Maverick"), to hold the Class A-1, Class A-2, and Class B asset-backed securities (the "Class A-1 Notes," "Class A-2 Notes," "Class B Notes," and collectively the "ABS Maverick Notes") assumed as part of the Maverick acquisition. These Notes had a total principal amount of \$640 million upon issuance. The Class A-1 Notes, rated A-, were issued with a total principal amount of \$285 million. The Class A-2 Notes, rated BBB+, were issued with a total principal amount of \$260 million. The Class B Notes, rated BB-, were issued with a total principal amount of \$95 million. Upon acquisition, the ABS Maverick Notes carried a 1.6% market premium and are secured by certain upstream producing assets in the Western Anadarko Basin acquired in the Maverick acquisition. Refer to Note 4 for additional information regarding acquisitions.

The Class A-1 Notes carry an annual interest rate of 8.121%. The Class A-2 Notes carry an annual interest rate of 8.946%. The Class B Notes carry an annual interest rate of 12.436%. These notes have a legal final maturity date of December 2038. Both interest and principal payments on the ABS Maverick Notes are made on a monthly basis.

ABS XI Notes

In November 2025, the Company formed DP Keeneland Mile LLC, a limited-purpose, bankruptcy-remote, wholly-owned subsidiary ("ABS XI"), to issue Class A-1, Class A-2, and Class B asset-backed securities (the "Class A-1 Notes," "Class A-2 Notes," "Class B Notes," and collectively the "ABS XI Notes") with a total principal amount of \$400 million. The Class A-1 Notes were issued with a total principal amount of \$247 million. The Class A-2 Notes were issued with a total principal amount of \$91 million. The Class B Notes were issued with a total principal amount of \$62 million. The proceeds from this issuance were used to fund, in part, the Canvas acquisition and are secured by certain upstream producing assets acquired.

The Class A-1 Notes carry an annual interest rate of 5.757%. The Class A-2 Notes carry an annual interest rate of 6.547%. The Class B Notes carry an annual interest rate of 10.129%. These notes have a legal final maturity date of November 2045. Both interest and principal payments on the ABS XI Notes are made on a monthly basis.

Nordic Bonds

In April 2025, the Company issued the Nordic Bonds, consisting of \$300 million of new senior secured notes in the Nordic bond market at a 2% discount, resulting in net proceeds of \$294 million. The proceeds were used to repay existing indebtedness and for general corporate purposes. The Nordic Bonds mature in April 2029 and bear interest at a fixed rate of 9.75% per annum, payable semi-annually in arrears. The Bonds are guaranteed by the Company and secured by (i) all of the Company's U.S. bank accounts, (ii) the equity interests in Diversified Gas and Oil Company ("DGOC") as well as DGOC's equity interests in its direct operating subsidiaries and (iii) interests in certain intercompany loans.

The Nordic Bonds contain the following financial covenants (i) the leverage ratio shall not exceed 3.5x, (ii) the asset coverage ratio shall not be less than 1.20 to 1.00, (iii) book equity shall not be less than \$500 million, and (iv) liquidity shall not be less than 25% of the outstanding bonds.

The Nordic Bonds were listed for trading on the Oslo Stock Exchange in October 2025.

Oaktree Seller's Notes

In June 2024, the Company partially funded the purchase price of the Oaktree transaction with deferred consideration in the form of an unsecured seller's note from Oaktree (the "Oaktree Seller's Note"). The Company issued \$83 million in notes at an annual interest rate of 8%, with a legal final maturity date of December 2025. Deferred interest and principal payments were scheduled in three installments: December 2024, June 2025, and December 2025.

In October 2024, the Company modified the terms of the Oaktree Seller's Note, increasing the rate to 9%, extending the maturity date to September 2026, and changing the payment schedule to monthly interest and principal payments.

In April 2025, the Company used proceeds from the Nordic Bonds to repay the outstanding principal of the Oaktree Seller's Note, thereby retiring the notes from the Company's outstanding debt. For additional information regarding the Oaktree transaction, refer to Note 5.

Early Retirement of Debt

In February 2025, the Company used proceeds from the ABS X Notes to repay the outstanding principal of the ABS I & II notes and Term Loan I, thereby retiring the ABS I & II notes and Term Loan I from the Company's outstanding debt and resulting in a loss on the early retirement of debt of \$27 million. Concurrently, Diversified ABS Holdings LLC, Diversified ABS Phase II Holdings LLC, and DP Bluegrass Holdings LLC were dissolved. The ABS X Notes are secured by the collateral previously securing the ABS I & II notes, along with a portion of the collateral previously securing Term Loan I.

In March 2025, the Company used proceeds from the upsized borrowing base on the amended and restated credit agreement governing the Credit Facility to repay the outstanding principal on Term Loan II, thereby retiring Term Loan II from the Company's outstanding debt and resulting in a loss on the early retirement of debt of \$0.2 million.

In May 2024, the Company utilized proceeds from the ABS VIII Notes to repay the outstanding principal of the ABS III & ABS V notes, thereby retiring these notes from the Company's outstanding debt. The transaction resulted in a loss on the early retirement of debt amounting to \$11 million. Concurrently, ABS III and ABS V were dissolved. The ABS VIII Notes are secured by the collateral that previously secured the ABS III & ABS V notes.

Debt Covenants

Credit Facility

The Credit Facility contains certain customary representations, warranties, and both affirmative and negative covenants. These covenants cover areas such as maintenance of books and records, financial reporting and notification, compliance with laws, maintenance of properties and insurance, and limitations on incurrence of indebtedness, liens, fundamental changes, international operations, asset sales, certain debt payments and amendments, restrictive agreements, investments, restricted payments, and hedging. The restricted payment provision governs the Company's ability to make discretionary payments, such as dividends, share repurchases, or other discretionary payments. DP RBL Co LLC must meet the following criteria to make discretionary payments: (i) leverage is less than 1.5x and borrowing base availability is >25%; (ii) leverage is between 1.5x and 2.0x, free cash flow must be positive, and borrowing base availability must be >15%; (iii) leverage is between 2.0x and 2.5x, free cash flow must be positive, and borrowing base availability must be >20%; (iv) when leverage exceeds 2.0x, restricted payments are prohibited.

Additional covenants require DP RBL Co LLC to maintain a total debt to EBITDAX ratio of no more than 3.25 to 1.00 and a current assets (with certain adjustments) to current liabilities ratio of no less than 1.00 to 1.00 as of the last day of each fiscal quarter.

As of December 31, 2025, the Company was in compliance with all covenants for its Credit Facility.

ABS IV, VI, VIII, IX, X, XI, and Maverick Notes (Collectively, the "ABS Notes") and the Nordic Bonds

The ABS Notes and Nordic Bonds are governed by a series of covenants and restrictions typical for such transactions, including (i) the requirement for the issuer to maintain specified reserve accounts to ensure the payment of interest on the ABS Notes and Nordic Bond, (ii) provisions for optional and mandatory prepayments, specified make-whole payments under certain conditions, (iii) indemnification payments in the event that the assets pledged as collateral for the ABS Notes and Nordic Bond are found to be defective or ineffective, (iv) covenants related to recordkeeping, access to information and similar matters, and (v) compliance with all applicable laws and regulations, including the Employee Retirement Income Security Act ("ERISA"), environmental laws, and the USA Patriot Act (ABS IV only).

The ABS Notes and Nordic Bonds are also subject to customary accelerated amortization events as outlined in the indenture. These events include failure to maintain specified debt service coverage ratios, failure to meet certain production metrics, certain change of control and management termination events, and the failure to repay or refinance the ABS Notes and Nordic Bond on the applicable scheduled maturity date.

Additionally, the ABS Notes and Nordic Bonds are subject to customary events of default, which include non-payment of required interest, principal, or other amounts due, failure to comply with covenants within specified time frames, certain bankruptcy events, breaches of specified representations and warranties, failure of security interests to be effective, and certain judgments.

As of December 31, 2025 the Company was in compliance with all financial covenants related to the ABS Notes and Nordic Bonds.

Future Maturities

The table below presents a reconciliation of the Company's undiscounted future maturities of its total borrowings as of the reporting date:

<i>(in thousands)</i>	December 31, 2025	December 31, 2024
Not later than one year	\$ 236,553	\$ 209,463
Later than one year and not later than five years	1,638,280	940,780
Later than five years	1,110,412	585,330
Total borrowings	\$ 2,985,245	\$ 1,735,573

Finance Costs

The table details the Company's finance costs for each of the periods presented:

<i>(in thousands)</i>	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Interest expense, net of capitalized and income amounts ^(a)	\$ 198,861	\$ 120,773	\$ 117,808
Amortization of discount and deferred finance costs	7,438	16,870	16,358
Other	1,432	—	—
Total finance costs	\$ 207,731	\$ 137,643	\$ 134,166

(a) Includes payments related to both borrowings and leases.

Interest Incurred

The table below represents the interest incurred related to the Company's amortizing debt structures for each of the periods presented:

<i>(in thousands)</i>	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Term Loan I	\$ 938	\$ 6,531	7,573
ABS I Notes	652	4,571	\$ 5,660
ABS II Notes	978	6,787	8,040
ABS III Notes	—	5,507	14,515
ABS IV Notes	3,587	4,440	5,703
ABS V Notes	—	6,792	19,332
ABS VI Notes	18,035	17,953	15,433
ABS VIII Notes	41,427	25,375	—
ABS IX Notes	4,915	1,460	—
ABS X Notes	30,486	—	—
ABS XI Notes	—	—	—
ABS Maverick Notes	43,107	—	—
Other miscellaneous borrowings ^(a)	4,733	4,106	—
Total interest incurred on amortizing debt	\$ 148,858	\$ 83,522	\$ 76,256

(a) Includes \$1 million and \$3 million of interest incurred on the Oaktree Seller's Note and other notes payable, respectively.

Fair Value

The table below represents the fair value of the Company's debt structures as of the periods presented:

<i>(in thousands)</i>	As of	
	December 31, 2025	December 31, 2024
Credit Facility ^(a)	\$ 485,400	\$ 284,400
Term Loan I	—	86,277
Term Loan II ^(a)	—	83,851
ABS I Notes	—	76,821
ABS II Notes	—	98,273
ABS IV Notes	61,687	74,064
ABS VI Notes	193,833	240,150
ABS VIII Notes	567,878	593,653
ABS IX Notes	67,395	73,897
ABS X Notes	507,460	—
ABS XI Notes	396,955	—
ABS Maverick Notes	420,541	—
Nordic Bond	306,088	—
Other miscellaneous borrowings ^(a)	24,478	107,588
Total fair value of outstanding debt	\$ 3,031,715	\$ 1,718,974

(a) Carrying value approximates fair value.

Excess Cash Flow Payments

The table below represents excess cash flow payments based on the achievement of certain performance metrics related to the Company's debt structures for each of the periods presented:

<i>(in thousands)</i>	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
ABS I Notes	\$ —	\$ 2,401	\$ 7,892
ABS VIII Notes	10,221	14,753	—
ABS IX Notes	2,724	884	—
ABS X Notes	11,422	—	—
Total excess cash flow payments	\$ 24,367	\$ 18,038	\$ 7,892

Note 22 - Trade & Other Payables

The table below details the Company's trade and other payables. The fair value approximates the carrying value as of the periods presented:

<i>(in thousands)</i>	December 31, 2025	December 31, 2024
Trade payables	\$ 80,947	\$ 31,896
Other payables	867	3,117
Total trade and other payables	\$ 81,814	\$ 35,013

Trade and other payables are unsecured, do not bear interest, and are settled as they become due.

Note 23 - Other Liabilities

The table below details the Company's other liabilities as of the periods presented:

<i>(in thousands)</i>	December 31, 2025	December 31, 2024
Other non-current liabilities		
Other non-current liabilities	\$ 14,969	\$ 5,384
Total other non-current liabilities	\$ 14,969	\$ 5,384
Other current liabilities		
Accrued expenses ^(a)	\$ 229,460	\$ 120,532
Net revenue clearing ^(b)	79,681	40,935
Asset retirement obligations - current	26,693	6,436
Revenue to be distributed ^(c)	167,807	136,631
Total other current liabilities	\$ 503,641	\$ 304,534

(a) As of December 31, 2025 accrued expenses increased primarily due to a \$30 million increase in accrued capital expenditures, a \$28 million increase in accrued LOE, and a \$29 million increase in other accrued liabilities. As of December 31, 2024 accrued expenses increased primarily due to an \$8 million increase in accrued capital expenditures and a \$7 million increase in hedge settlements payables.

(b) Net revenue clearing represents the estimated revenue that is payable to third-party working interest owners. The year-over-year increase in net revenue clearing was primarily due to the Maverick acquisition in March, 2025.

(c) Revenue to be distributed refers to revenue that is payable to third-party working interest owners but has not yet been paid due to unresolved title, legal, ownership, or other issues. The Company releases the underlying liability as these issues are resolved. Since the timing of resolution is uncertain, the Company records this balance as a current liability. The year-over-year increase in revenue to be distributed was attributed to the Company's growth.

Note 24 - Fair Value & Financial Instruments**Fair Value**

The fair value of an asset or liability is defined as the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction in the principal market (or most advantageous market if a principal market is not available) for that asset or liability. In estimating fair value, the Company employs valuation techniques that align with the market approach, income approach, and/or cost approach, ensuring consistent application of these techniques. The inputs to these valuation techniques include assumptions that market participants would use when pricing an asset or liability. IFRS 13, Fair Value Measurement ("IFRS 13"), establishes a fair value hierarchy for valuation inputs, prioritizing quoted prices in active markets for identical assets or liabilities as the highest level of input, and unobservable inputs as the lowest level. The fair value hierarchy is defined as follows:

Level 1: Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2: Inputs (other than quoted prices included in Level 1) can include the following:

- (1) Observable prices in active markets for similar assets or liabilities;
- (2) Prices for identical assets or liabilities in markets that are not active;
- (3) Directly observable market inputs for substantially the full term of the asset or liability; and
- (4) Market inputs that are not directly observable but are derived from or corroborated by observable market data.

Level 3: Unobservable inputs which reflect the Company's best estimates of what market participants would use in pricing the asset or liability at the measurement date.

Financial Instruments*Working Capital*

The carrying values of cash and cash equivalents, trade receivables, other current assets, accounts payable, and other current liabilities in the Consolidated Statement of Financial Position approximate their fair value due to their short-term nature. For trade receivables, the Company applies the simplified approach permitted by IFRS 9, Financial Instruments ("IFRS 9"), which requires the recognition of expected lifetime losses from the initial recognition of the receivables. Financial liabilities are initially measured at fair value and subsequently measured at amortized cost.

For borrowings, derivative financial instruments, and leases, the following methods and assumptions were used to estimate fair value:

Borrowings

The fair values of the Company's ABS Notes and Term Loans are considered to be Level 2 measurements within the fair value hierarchy. The carrying values of the borrowings under the Company's Credit Facility (to the extent utilized) and Term Loan II approximate fair value because the interest rate is variable and reflective of market rates. The Company also considers the fair value of its Credit Facility to be a Level 2 measurement within the fair value hierarchy.

Leases

The Company initially measures the lease liability at the present value of the future lease payments. These lease payments are discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate to discount the lease payments.

Derivative Financial Instruments

The Company measures the fair value of its derivative financial instruments using a pricing model that incorporates market-based inputs. These inputs include, but are not limited to, the contractual price of the underlying position, current market prices, natural gas and liquids forward curves, discount rates such as the U.S. Treasury yields, the SOFR curve, and volatility factors.

The Company classifies its derivative financial instruments into the fair value hierarchy based on the data used to determine their fair values. The Company's fixed price swaps (Level 2) are estimated using third-party discounted cash flow calculations, utilizing the NYMEX futures index for natural gas and oil derivatives, and OPIS for NGLs derivatives. For valuing its interest rate derivatives (Level 2), the Company employs discounted cash flow models. The net derivative values attributable to the Company's interest rate derivative contracts as of December 31, 2025 are based on (i) the contracted notional amounts, (ii) active market-quoted SOFR yield curves, and (iii) the applicable credit-adjusted risk-free rate yield curve.

The Company's call options, put options, collars and swaptions (Level 2) are valued using the Black-Scholes model, an industry-standard option valuation model. This model takes into account inputs such as contract terms, including maturity, and market parameters, including assumptions of NYMEX and OPIS futures, interest rates, volatility and creditworthiness. Inputs to the Black-Scholes model, including the volatility input, are obtained from a third-party pricing source, with independent verification of the most significant inputs on a monthly basis. A change in volatility would result in a corresponding change in fair value measurement.

The Company's basis swaps (Level 2) are estimated using third-party calculations based on forward commodity price curves.

There were no transfers between fair value levels for the year ended December 31, 2025.

The following table includes the Company's financial instruments as of the periods presented:

<i>(in thousands)</i>	December 31, 2025	December 31, 2024
Cash and cash equivalents	\$ 29,697	\$ 5,990
Trade receivables, net	408,399	234,421
Other non-current assets	14,436	6,270
Other non-current liabilities ^(a)	(14,969)	(5,384)
Other current liabilities ^(b)	(476,948)	(298,098)
Derivative financial instruments at fair value	(361,674)	(710,347)
Leases	(75,704)	(44,600)
Borrowings	(3,031,715)	(1,718,974)
Total	\$ (3,508,478)	\$ (2,530,722)

(a) Includes accrued expenses, net revenue clearing, and revenue to be distributed. Excludes asset retirement obligations.

Note 25 - Financial Risk Management

The Company is exposed to various financial risks, including market risk, credit risk, liquidity risk, capital risk, and collateral risk. To manage these risks, the Company continuously monitors the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

The Company's principal financial liabilities consist of borrowings, leases, and trade and other payables, which are primarily used to finance and provide financial guarantees for its operations. The Company's principal financial assets include cash and cash equivalents, as well as trade and other receivables derived from its operations.

Additionally, the Company also enters into derivative financial instruments, which are recorded as assets or liabilities depending on market dynamics. The Company leverages its internal resources to design and manage its derivative-related risk management activities, but also engages with third party providers to assist with the execution of derivative transactions and provide commodity trading and risk management applications.

Market Risk

Market risk refers to the possibility that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk is comprised of two main types of risk: interest rate risk and commodity price risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

To manage market price risks resulting from changes in commodity prices and foreign exchange rates, the Company uses both derivative and non-derivative financial instruments. These instruments help mitigate the potential negative effects on the Company's assets, liabilities, or future expected cash flows.

Interest Rate Risk

The Company is subject to market risk exposure related to changes in interest rates. The Company's borrowings primarily consist of fixed-rate amortizing notes and a variable rate Credit Facility, as illustrated below.

(in thousands)	December 31, 2025		December 31, 2024	
	Borrowings	Interest Rate ^(a)	Borrowings	Interest Rate ^(a)
ABS Notes, Nordic Bonds, & other ^(b)	\$ 2,193,566	7.72 %	\$ 1,443,013	7.01 %
Credit Facility	\$ 485,400	7.04 %	\$ 284,400	8.68 %

- (a) The interest rate on the ABS Notes, Nordic Bonds, and other notes payable represents the weighted average fixed rate of the notes, while the interest rate presented for the Credit Facility represents the floating rate as of December 31, 2025 and 2024, respectively.
- (b) Includes \$76 million in notes payable issued as part of the consideration in the Oaktree transaction as of December 31, 2024. Includes \$30 million in notes payable issued by a third party financial institution in November 2024, collateralized by two natural gas processing plants and related support equipment in the Central Region. As of December 31, 2025, this notes payable balance was \$23 million. Refer to Note 5 for additional information regarding the Oaktree transaction.

For additional information regarding the ABS Notes, Nordic Bonds, and Credit Facility, refer to Note 21. For the years ended December 31, 2025 and 2024, a 100 basis point adjustment in the borrowing rate for the Credit Facility would result in a corresponding effect on finance costs of approximately \$5 million and \$4 million, respectively. This represents a reasonably possible change in interest rate risk.

The Company strives to maintain a prudent balance of floating and fixed-rate borrowing exposure, particularly during uncertain market conditions. As part of the Company's risk mitigation strategy, the Company occasionally enters into swap arrangements to adjust its exposure to floating or fixed interest rates, depending on changes in the composition of borrowings in its portfolio. Consequently, the total principal hedged through the use of derivative financial instruments varies from period to period.

As of December 31, 2025 and 2024, the fair value of the Company's interest rate swaps represents an asset of \$0.1 million and \$0.2 million, respectively. For additional information regarding derivative financial instruments, refer to Note 13.

Commodity Price Risk

The Company's revenues are primarily derived from the sale of its natural gas, NGLs, and oil production, making the Company subject to commodity price risk. Commodity prices for natural gas, NGLs and oil can be volatile and may fluctuate due to relatively small changes in supply, weather conditions, economic conditions, and government actions. For the years ended December 31, 2025, 2024 and 2023, the Company's commodity revenue was \$1.5 billion, \$732 million, and \$802 million, respectively.

To mitigate the risk of fluctuations in commodity prices, the Company enters into derivative financial instruments. The total volumes hedged through the use of these instruments vary from period to period. Generally the Company's objective is to hedge approximately 60% to 80% of its anticipated production volumes for the next 12 months, at least 50% for months 13 to 24, and a minimum of 30% for months 25 to 36. For additional information regarding derivative financial instruments, refer to Note 13.

By removing price volatility from a significant portion of the Company's expected production through 2028, the Company has mitigated, but not eliminated, the potential effects of changing prices on its operating cash flow for those periods. While these derivative contracts help mitigate the negative effects of falling commodity prices, they also limit the benefits the Company would receive from increases in commodity prices.

Credit and Counterparty Risk

The Company is exposed to credit and counterparty risk from the sale of its natural gas, NGLs and oil. Trade receivables from customers represent amounts due for the purchase of these commodities, and their collectability depends on the financial condition of each customer. The Company reviews the financial condition of customers before extending credit and generally does not require collateral to support their trade receivables. As of December 31, 2025 and 2024, the Company had no customers that comprised over 10% of its total trade receivables. The Company's trade receivables from customers, net of the applicable allowance for credit losses, were \$347 million and \$200 million, respectively, as of December 31, 2025 and 2024.

The Company is also exposed to credit risk from joint interest owners, which are entities that own a working interest in the properties operated by the Company. Joint interest receivables are classified under trade receivables, net, in the Consolidated Statement of Financial Position. The Company has the ability to withhold future revenue payments to recover any non-payment of joint interest receivables. As of December 31, 2025 and 2024, the Company's joint interest receivables, net of the applicable allowance for credit losses, were \$61 million and \$35 million, respectively.

Trade receivables are current, and the Company believes these net receivables are collectible. For additional information, refer to Note 3.

Liquidity Risk

Liquidity risk is the possibility that the Company will not be able to meet its financial obligations as they fall due. The Company manages this risk by maintaining adequate cash reserves through the use of cash from operations and borrowing capacity on the Credit Facility. Additionally, the Company continuously monitors its forecast and actual cash flows to ensure it maintains an appropriate level of liquidity. The amounts disclosed in the following table represent the Company's contractual undiscounted cash flows.

<i>(in thousands)</i>	Not Later Than One Year	Later Than One Year and Not Later Than Five Years	Later Than Five Years	Total
For the year ended December 31, 2025				
Trade and other payables	\$ 81,814	\$ —	\$ —	\$ 81,814
Borrowings	236,553	1,638,280	1,110,412	2,985,245
Leases	28,751	57,620	570	86,941
Other liabilities ^(a)	309,141	14,969	—	324,110
Total	\$ 656,259	\$ 1,710,869	\$ 1,110,982	\$ 3,478,110
For the year ended December 31, 2024				
Trade and other payables	\$ 35,013	\$ —	\$ —	\$ 35,013
Borrowings	209,463	940,780	585,330	1,735,573
Leases	16,080	33,215	139	49,434
Other liabilities ^(a)	161,467	5,384	—	166,851
Total	\$ 422,023	\$ 979,379	\$ 585,469	\$ 1,986,871

(a) Includes accrued expenses and net revenue clearing. Excludes asset retirement obligations and revenue to be distributed.

Capital Risk

The Company defines capital as the total of equity shareholders' funds and long-term borrowings net of available cash balances. The Company's objectives when managing capital are to provide returns for shareholders, maintain appropriate leverage and safeguard the ability to continue as a going concern. Additionally, the Company aims to pursue opportunities for growth by identifying and evaluating potential acquisitions and constructing new infrastructure on existing proved leaseholds.

The Company does not establish a quantitative return on capital criteria, but instead promotes year-over-year adjusted EBITDA growth. The Company actively manages its balance sheet and seeks to maintain a long-term leverage ratio approximately 2.5x.

Collateral Risk

As of December 31, 2025, the Company has pledged 100% of its upstream natural gas and oil properties in the Appalachian and Central regions, along with certain midstream assets, to fulfill the collateral requirements for borrowings under its debt instruments. The fair value of the collateral is based on an independent petroleum engineering firm's reserves calculation, which uses estimated cash flows discounted at 10% and a commodities futures price schedule. For additional information regarding acquisitions and borrowings, refer to Notes 5 and 21, respectively.

Note 26 - Commitments & Contingencies

Delivery Commitments

The Company has contractually agreed to deliver firm quantities of natural gas to various customers, which it expects to fulfill with production from existing reserves. To ensure the Company meets these commitments, it regularly monitors its proved developed reserves.

The following table summarizes the Company's total undiscounted commitments, compiled using best estimates based on its sales strategy, as of December 31, 2025.

	Natural gas (MMcf)
2026	169,054
2027	49,203
2028	25,942
Thereafter	307,076

Litigation and Regulatory Proceedings

The Company is involved in various pending legal issues that have arisen in the ordinary course of business. The Company accrues for litigation, claims, and proceedings when a liability is both probable and the amount can be reasonably estimated. As of December 31, 2025 and 2024, the Company did not have any material amounts accrued related to litigation or regulatory matters.

For any matters not accrued for, it is not possible to estimate the amount of any additional loss or range of loss that is reasonably possible. However, based on the nature of the claims, management believes that current litigation, claims, and proceedings are not, individually or in aggregate, after considering insurance coverage and indemnification, likely to have a material adverse impact on the Company's financial position, results of operations, or cash flows.

The Company has no other contingent liabilities that would have a material impact on the Company's financial position, results of operations, or cash flows.

Environmental Matters

The Company's operations are subject to environmental laws and regulations in all the jurisdictions where it operates, and it was in compliance as of December 31, 2025 and 2024. However, the Company is unable to predict the impact of additional environmental laws and regulations that may be adopted in the future, including whether they would adversely affect its operations. The Company can offer no assurance regarding the significance or cost of compliance associated with any new environmental legislation or regulation once implemented.

Note 27 - Related Party Transactions

The Company had no related party activity in 2025, 2024 or 2023.

Note 28 - Subsequent Events

The Company has evaluated subsequent events occurring after December 31, 2025, through April 10, 2026 the date the financial statements were authorized to be issued by management. The following material transactions occurred subsequent to year-end:

Dividends

Subsequent to December 31, 2025, in February 2026, the Company's board of directors declared a cash dividend on the Company's common stock in the amount of \$0.29 per share. The dividend is payable on June 30, 2026, to stockholders on record as of the close of business on May 29, 2026.

Borrowings

Subsequent to December 31, 2025, in February 2026, the Company issued an additional \$200 million in Nordic Bonds, increasing the aggregate principal amount of the outstanding Nordic Bonds to \$500 million.

Acquisitions & Divestitures

Subsequent to December 31, 2025, in February 2026, the Company announced that it entered into an agreement to acquire certain producing properties from Sheridan Production Company for an estimated gross purchase price of \$245 million before customary purchase price adjustments. The transaction is expected to close in the second quarter of 2026