

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-38075



ANTERO MIDSTREAM CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

1615 Wynkoop Street
Denver, Colorado
(Address of principal executive offices)

61-1748605
(IRS Employer Identification No.)

80202
(Zip Code)

(303) 357-7310

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01	AM	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-accelerated Filer

Smaller Reporting Company

Emerging Growth Company

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes No

Number of shares of the registrant's common stock outstanding as of October 25, 2024 (in thousands): 481,324

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some of the information in this Quarterly Report on Form 10-Q may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements, other than statements of historical fact, included in this Quarterly Report on Form 10-Q, regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. Words such as “may,” “assume,” “forecast,” “position,” “predict,” “strategy,” “expect,” “intend,” “plan,” “estimate,” “anticipate,” “believe,” “project,” “budget,” “potential,” or “continue,” and similar expressions are used to identify forward-looking statements, although not all forward-looking statements contain such identifying words. When considering these forward-looking statements, investors should keep in mind the risk factors and other cautionary statements in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2023. These forward-looking statements are based on management’s current beliefs, based on currently available information, as to the outcome and timing of future events. Factors that could cause our actual results to differ materially from the results contemplated by such forward-looking statements include:

- Antero Resources Corporation’s (“Antero Resources”) expected production and development plan;
- impacts to producer customers of insufficient storage capacity;
- our ability to execute our business strategy;
- our ability to obtain debt or equity financing on satisfactory terms to fund additional acquisitions, expansion projects, working capital requirements and the repayment or refinancing of indebtedness;
- our ability to realize the anticipated benefits of our investments in unconsolidated affiliates;
- our ability to execute our share repurchase program;
- natural gas, natural gas liquids (“NGLs”), and oil prices;
- impacts of geopolitical events, including the conflicts in Ukraine and in the Middle East, and world health events;
- our ability to complete the construction of or purchase new gathering and compression, processing, water handling or other assets on schedule, at the budgeted cost or at all, and the ability of such assets to operate as designed or at expected levels;
- our ability to execute our return of capital program;
- competition;
- government regulations and changes in laws;
- actions taken by third-party producers, operators, processors and transporters;
- pending legal or environmental matters;
- costs of conducting our operations;
- our ability to achieve our greenhouse gas reduction targets and the costs associated therewith;
- general economic conditions;
- credit markets;
- operating hazards, natural disasters, weather-related delays, casualty losses and other matters beyond our control;
- expectations regarding the amount and timing of litigation awards;
- uncertainty regarding our future operating results; and

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- our other plans, objectives, expectations and intentions contained in this Quarterly Report on Form 10-Q.

We caution investors that these forward-looking statements are subject to all of the risks and uncertainties incidental to our business, most of which are difficult to predict and many of which are beyond our control. These risks include, but are not limited to, commodity price volatility, inflation, supply chain or other disruptions, environmental risks, Antero Resources' drilling and completion and other operating risks, regulatory changes or changes in law, the uncertainty inherent in projecting Antero Resources' future rates of production, cash flows and access to capital, the timing of development expenditures, impacts of world health events, cybersecurity risks, the state of markets for, and availability of, verified quality carbon offsets and the other risks described or referenced under the heading "1A. Risk Factors" herein, including the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 Form 10-K"), which is on file with the Securities and Exchange Commission ("SEC").

Should one or more of the risks or uncertainties described or referenced in this Quarterly Report on Form 10-Q occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements.

All forward-looking statements, expressed or implied, included in this Quarterly Report on Form 10-Q are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue.

Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q.

PART I—FINANCIAL INFORMATION
ANTERO MIDSTREAM CORPORATION
Condensed Consolidated Balance Sheets
(In thousands, except per share amounts)

	December 31, 2023	(Unaudited) September 30, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 66	—
Accounts receivable—Antero Resources	88,610	98,037
Accounts receivable—third party	952	536
Other current assets	1,500	1,303
Total current assets	<u>91,128</u>	<u>99,876</u>
Property and equipment, net	3,793,523	3,892,154
Investments in unconsolidated affiliates	626,650	609,427
Customer relationships	1,215,431	1,162,427
Other assets, net	10,886	13,567
Total assets	<u>\$ 5,737,618</u>	<u>5,777,451</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable—Antero Resources	\$ 4,457	5,317
Accounts payable—third party	10,499	9,718
Accrued liabilities	80,630	75,565
Other current liabilities	831	920
Total current liabilities	<u>96,417</u>	<u>91,520</u>
Long-term liabilities:		
Long-term debt	3,213,216	3,171,664
Deferred income tax liability, net	265,879	369,004
Other	10,375	15,362
Total liabilities	<u>3,585,887</u>	<u>3,647,550</u>
Stockholders' equity:		
Preferred stock, \$0.01 par value: 100,000 authorized as of December 31, 2023 and September 30, 2024		
Series A non-voting perpetual preferred stock; 12 designated and 10 issued and outstanding as of December 31, 2023 and September 30, 2024	—	—
Common stock, \$0.01 par value; 2,000,000 authorized; 479,713 and 481,295 issued and outstanding as of December 31, 2023 and September 30, 2024, respectively	4,797	4,813
Additional paid-in capital	2,046,487	2,025,348
Retained earnings	100,447	99,740
Total stockholders' equity	<u>2,151,731</u>	<u>2,129,901</u>
Total liabilities and stockholders' equity	<u>\$ 5,737,618</u>	<u>5,777,451</u>

See accompanying notes to unaudited condensed consolidated financial statements.

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ANTERO MIDSTREAM CORPORATION
Condensed Consolidated Statements of Operations and Comprehensive Income (Unaudited)
(In thousands, except per share amounts)

	Three Months Ended September 30,	
	2023	2024
Revenue:		
Gathering and compression—Antero Resources	\$ 214,992	234,847
Water handling—Antero Resources	66,132	52,294
Water handling—third party	383	397
Amortization of customer relationships	(17,668)	(17,668)
Total revenue	<u>263,839</u>	<u>269,870</u>
Operating expenses:		
Direct operating	51,914	51,724
General and administrative (including \$8,349 and \$11,945 of equity-based compensation in 2023 and 2024, respectively)	17,633	22,872
Facility idling	722	405
Depreciation	30,745	32,534
Impairment of property and equipment	—	332
Accretion of asset retirement obligations	45	49
Loss (gain) on asset sale	467	(473)
Total operating expenses	<u>101,526</u>	<u>107,443</u>
Operating income	<u>162,313</u>	<u>162,427</u>
Other income (expense):		
Interest expense, net	(55,233)	(51,812)
Equity in earnings of unconsolidated affiliates	27,397	27,668
Loss on early extinguishment of debt	—	(341)
Total other expense	<u>(27,836)</u>	<u>(24,485)</u>
Income before income taxes	134,477	137,942
Income tax expense	<u>(36,657)</u>	<u>(38,202)</u>
Net income and comprehensive income	<u>\$ 97,820</u>	<u>99,740</u>
Net income per common share—basic	\$ 0.20	0.21
Net income per common share—diluted	\$ 0.20	0.21
Weighted average common shares outstanding:		
Basic	479,676	481,288
Diluted	482,840	485,532

See accompanying notes to unaudited condensed consolidated financial statements.

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ANTERO MIDSTREAM CORPORATION
Condensed Consolidated Statements of Operations and Comprehensive Income (Unaudited)
(In thousands, except per share amounts)

	Nine Months Ended September 30,	
	2023	2024
Revenue:		
Gathering and compression—Antero Resources	\$ 625,636	691,433
Water handling—Antero Resources	208,040	178,805
Water handling—third party	929	1,482
Amortization of customer relationships	(53,004)	(53,004)
Total revenue	<u>781,601</u>	<u>818,716</u>
Operating expenses:		
Direct operating	162,382	162,051
General and administrative (including \$23,175 and \$32,871 of equity-based compensation in 2023 and 2024, respectively)	53,142	65,312
Facility idling	1,933	1,339
Depreciation	101,174	107,205
Impairment of property and equipment	—	332
Accretion of asset retirement obligations	133	140
Loss on settlement of asset retirement obligations	620	—
Loss on asset sale	6,036	906
Total operating expenses	<u>325,420</u>	<u>337,285</u>
Operating income	<u>456,181</u>	<u>481,431</u>
Other income (expense):		
Interest expense, net	(165,245)	(157,306)
Equity in earnings of unconsolidated affiliates	77,825	82,795
Loss on early extinguishment of debt	—	(14,091)
Total other expense	<u>(87,420)</u>	<u>(88,602)</u>
Income before income taxes	368,761	392,829
Income tax expense	(97,422)	(103,126)
Net income and comprehensive income	<u>\$ 271,339</u>	<u>289,703</u>
Net income per common share—basic	\$ 0.57	0.60
Net income per common share—diluted	\$ 0.56	0.60
Weighted average common shares outstanding:		
Basic	479,267	480,765
Diluted	481,908	484,910

See accompanying notes to unaudited condensed consolidated financial statements.

ANTERO MIDSTREAM CORPORATION
Condensed Consolidated Statements of Stockholders' Equity (Unaudited)
(In thousands)

	Preferred Stock	Common Stock		Additional Paid-In Capital	Retained Earnings	Total Equity
		Shares	Amount			
Balance at December 31, 2022	\$ —	478,497	\$ 4,785	2,104,740	82,793	2,192,318
Dividends to stockholders	—	—	—	(25,709)	(82,793)	(108,502)
Equity-based compensation	—	—	—	6,327	—	6,327
Issuance of common stock upon vesting of equity-based compensation awards, net of common stock withheld for income taxes	—	148	1	(1,167)	—	(1,166)
Net income and comprehensive income	—	—	—	—	86,507	86,507
Balance at March 31, 2023	—	478,645	4,786	2,084,191	86,507	2,175,484
Dividends to stockholders	—	—	—	(24,267)	(86,507)	(110,774)
Equity-based compensation	—	—	—	8,499	—	8,499
Issuance of common stock upon vesting of equity-based compensation awards, net of common stock withheld for income taxes	—	1,011	11	(7,193)	—	(7,182)
Net income and comprehensive income	—	—	—	—	87,012	87,012
Balance at June 30, 2023	—	479,656	4,797	2,061,230	87,012	2,153,039
Dividends to stockholders	—	—	—	(21,053)	(87,012)	(108,065)
Equity-based compensation	—	—	—	8,349	—	8,349
Issuance of common stock upon vesting of equity-based compensation awards, net of common stock withheld for income taxes	—	22	—	(3)	—	(3)
Net income and comprehensive income	—	—	—	—	97,820	97,820
Balance at September 30, 2023	\$ —	479,678	\$ 4,797	2,048,523	97,820	2,151,140
Balance at December 31, 2023	\$ —	479,713	\$ 4,797	2,046,487	100,447	2,151,731
Dividends to stockholders	—	—	—	(8,542)	(100,447)	(108,989)
Equity-based compensation	—	—	—	9,327	—	9,327
Issuance of common stock upon vesting of equity-based compensation awards, net of common stock withheld for income taxes	—	615	6	(5,622)	—	(5,616)
Net income and comprehensive income	—	—	—	—	103,926	103,926
Balance at March 31, 2024	—	480,328	4,803	2,041,650	103,926	2,150,379
Dividends to stockholders	—	—	—	(8,154)	(103,926)	(112,080)
Equity-based compensation	—	—	—	11,599	—	11,599
Issuance of common stock upon vesting of equity-based compensation awards, net of common stock withheld for income taxes	—	915	9	(8,856)	—	(8,847)
Net income and comprehensive income	—	—	—	—	86,037	86,037
Balance at June 30, 2024	—	481,243	4,812	2,036,239	86,037	2,127,088
Dividends to stockholders	—	—	—	(22,470)	(86,037)	(108,507)
Equity-based compensation	—	—	—	11,945	—	11,945
Issuance of common stock upon vesting of equity-based compensation awards, net of common stock withheld for income taxes	—	52	1	(366)	—	(365)
Net income and comprehensive income	—	—	—	—	99,740	99,740
Balance at September 30, 2024	\$ —	481,295	\$ 4,813	2,025,348	99,740	2,129,901

See accompanying notes to unaudited condensed consolidated financial statements.

ANTERO MIDSTREAM CORPORATION
Condensed Consolidated Statements of Cash Flows (Unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2023	2024
Cash flows provided by (used in) operating activities:		
Net income	\$ 271,339	289,703
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	101,174	107,205
Accretion of asset retirement obligations	133	140
Impairment of property and equipment	—	332
Deferred income tax expense	97,422	103,126
Equity-based compensation	23,175	32,871
Equity in earnings of unconsolidated affiliates	(77,825)	(82,795)
Distributions from unconsolidated affiliates	94,900	100,911
Amortization of customer relationships	53,004	53,004
Amortization of deferred financing costs	4,463	4,721
Settlement of asset retirement obligations	(869)	(513)
Loss on settlement of asset retirement obligations	620	—
Loss on asset sale	6,036	906
Loss on early extinguishment of debt	—	14,091
Changes in assets and liabilities:		
Accounts receivable—Antero Resources	(6,867)	(9,427)
Accounts receivable—third party	436	883
Other current assets	(1,307)	63
Accounts payable—Antero Resources	(1,766)	1,143
Accounts payable—third party	1,214	(1,100)
Accrued liabilities	5,460	(3,961)
Net cash provided by operating activities	<u>570,742</u>	<u>611,303</u>
Cash flows provided by (used in) investing activities:		
Additions to gathering systems, facilities and other	(90,175)	(110,514)
Additions to water handling systems	(39,850)	(23,493)
Investments in unconsolidated affiliates	(262)	(893)
Acquisition of gathering systems and facilities	(266)	(69,992)
Cash received in asset sales	1,071	1,158
Change in other assets	(26)	(1)
Change in other liabilities	—	659
Net cash used in investing activities	<u>(129,508)</u>	<u>(203,076)</u>
Cash flows provided by (used in) financing activities:		
Dividends to common stockholders	(326,871)	(329,252)
Dividends to preferred stockholders	(413)	(413)
Issuance of Senior Notes	—	600,000
Redemption of Senior Notes	—	(560,862)
Payments of deferred financing costs	—	(12,738)
Borrowings on Credit Facility	759,300	1,299,500
Repayments on Credit Facility	(864,900)	(1,389,700)
Employee tax withholding for settlement of equity-based compensation awards	(8,350)	(14,828)
Net cash used in financing activities	<u>(441,234)</u>	<u>(408,293)</u>
Net decrease in cash and cash equivalents	—	(66)
Cash and cash equivalents, beginning of period	—	66
Cash and cash equivalents, end of period	<u>\$ —</u>	<u>—</u>
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	\$ 159,019	160,700
Cash received during the period for income taxes	\$ —	104
Increase in accrued capital expenditures and accounts payable for property and equipment	\$ 9,171	2,413

See accompanying notes to unaudited condensed consolidated financial statements.

ANTERO MIDSTREAM CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

(1) Organization

Antero Midstream Corporation together with its consolidated subsidiaries (the “Company” or “Antero Midstream”) is a growth-oriented midstream company formed to own, operate and develop midstream energy infrastructure primarily to service Antero Resources and its production and completion activity in the Appalachian Basin. The Company’s assets consist of gathering pipelines, compressor stations, interests in processing and fractionation plants and water handling assets. Antero Midstream provides midstream services to Antero Resources under long-term contracts. The Company’s corporate headquarters is located in Denver, Colorado.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

These unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the SEC applicable to interim financial information and should be read in the context of the Company’s December 31, 2023 consolidated financial statements and notes thereto for a more complete understanding of the Company’s operations, financial position, and accounting policies. The Company’s December 31, 2023 consolidated financial statements were included in the Company’s 2023 Annual Report on Form 10-K, which was filed with the SEC.

These unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial information, and, accordingly, do not include all of the information and footnotes required by GAAP for complete consolidated financial statements. In the opinion of management, these unaudited condensed consolidated financial statements include all adjustments (consisting of normal and recurring accruals) considered necessary to present fairly the Company’s financial position as of December 31, 2023 and September 30, 2024, results of operations for the three and nine months ended September 30, 2023 and 2024 and cash flows for the nine months ended September 30, 2023 and 2024. The Company has no items of other comprehensive income or loss; therefore, net income is equal to comprehensive income.

Certain costs of doing business incurred and charged to the Company by Antero Resources have been reflected in the accompanying unaudited condensed consolidated financial statements. These costs include general and administrative expenses provided to the Company by Antero Resources in exchange for:

- business services, such as payroll, accounts payable and facilities management;
- corporate services, such as finance and accounting, legal, human resources, investor relations and public and regulatory policy; and
- employee compensation.

Transactions between the Company and Antero Resources have been identified in the unaudited condensed consolidated financial statements (see Note 4—Transactions with Affiliates).

(b) Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements include the accounts of Antero Midstream Corporation and its wholly owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in the Company’s unaudited condensed consolidated financial statements.

(c) Recently Issued Accounting Standards

Reportable Segments

In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2023-07, *Improvements to Reportable Segment Disclosures* (“ASU 2023-07”). ASU 2023-07 is intended to improve reportable segment disclosures primarily through enhanced disclosure of reportable segment expenses. This ASU is effective for annual reporting periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. ASU 2023-07 is required to be applied retrospectively to all prior

ANTERO MIDSTREAM CORPORATION

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

periods presented in the financial statements. The Company is evaluating the impact that ASU 2023-07 will have on the financial statements. The Company plans to adopt ASU 2023-07 in the Annual Report on Form 10-K for the year ending December 31, 2024.

Income Taxes

In December 2023, the FASB issued ASU No. 2023-09, *Improvements to Income Tax Disclosures* (“ASU 2023-09”). ASU 2023-09 is intended to improve income tax disclosures primarily through enhanced disclosure of income tax rate reconciliation items, and disaggregation of income (loss) from continuing operations, income tax expense (benefit) and income taxes paid, net disclosures by federal, state and foreign jurisdictions, among others. This ASU is effective for annual reporting periods beginning after December 15, 2024, although early adoption is permitted. ASU 2023-09 should be applied on a prospective basis, although retrospective application is permitted. The Company is evaluating the impact that ASU 2023-09 will have on the financial statements and the transition method it plans to use for adoption. The Company plans to adopt ASU 2023-09 in the Annual Report on Form 10-K for the year ending December 31, 2025.

(3) Intangibles

All customer relationships are subject to amortization and are amortized over a weighted average period of 17 years, which reflects the remaining economic life of the relationships as of September 30, 2024. The carrying amount of customer relationships were as follows:

(in thousands)	December 31, 2023	(Unaudited) September 30, 2024
Gross carrying value of customer relationships	\$ 1,555,000	1,555,000
Accumulated amortization of customer relationships	(339,569)	(392,573)
Customer relationships	<u>\$ 1,215,431</u>	<u>1,162,427</u>

Future amortization expense as of September 30, 2024 is as follows (in thousands):

Remainder of year ending December 31, 2024	\$ 17,668
Year ending December 31, 2025	70,672
Year ending December 31, 2026	70,672
Year ending December 31, 2027	70,672
Year ending December 31, 2028	70,672
Thereafter	862,071
Total	<u>\$ 1,162,427</u>

(4) Transactions with Affiliates*(a) Revenues*

Substantially all revenues earned in the three and nine months ended September 30, 2023 and 2024 were earned from Antero Resources, under various agreements for gathering and compression and water handling services. Revenues earned from gathering and compression services consist of lease income.

(b) Accounts receivable—Antero Resources and Accounts payable—Antero Resources

Accounts receivable—Antero Resources represents amounts due from Antero Resources, primarily related to gathering and compression services and water handling services. Accounts payable—Antero Resources represents amounts due to Antero Resources for general and administrative and other costs.

(c) Allocation of Costs Charged by Antero Resources

The employees supporting the Company’s operations are concurrently employed by Antero Resources and the Company. Direct operating expense includes costs charged to the Company of \$5 million during each of the three months ended September 30, 2023 and 2024, and \$13 million and \$15 million during the nine months ended September 30, 2023 and

ANTERO MIDSTREAM CORPORATION

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

2024, respectively. These costs were for services provided by employees associated with the operation of the Company's gathering lines, compressor stations and water handling assets. General and administrative expense includes costs charged to the Company by Antero Resources of \$7 million and \$9 million during the three months ended September 30, 2023 and 2024, respectively, and \$22 million and \$24 million during the nine months ended September 30, 2023 and 2024, respectively. These costs relate to (i) various business services, including payroll processing, accounts payable processing and facilities management, (ii) various corporate services, including legal, accounting, treasury, information technology and human resources and (iii) compensation. These expenses are charged to the Company based on the nature of the expenses and are apportioned based on a combination of the Company's proportionate share of gross property and equipment, capital expenditures and labor costs, as applicable. The Company reimburses Antero Resources directly for all general and administrative costs charged to it.

(5) Revenue

All of the Company's gathering and compression revenues are derived from operating lease agreements, and all of the Company's water handling revenues are derived from service contracts with customers. The Company currently earns substantially all of its revenues from Antero Resources.

(a) Gathering and Compression

The Company's gathering and compression service agreements with Antero Resources include: (i) the second amended and restated gathering and compression agreement dated December 8, 2019 (the "2019 gathering and compression agreement"), (ii) a gathering and compression agreement acquired with the Crestwood Equity Partners LP ("Crestwood") assets (the "Marcellus gathering and compression agreement"), (iii) a compression agreement acquired with the EnLink Midstream LLC (NYSE: ENLC) ("EnLink") assets (the "Utica compression agreement") and (iv) a gathering and compression agreement acquired with the Summit Midstream Partners, LP (NYSE: SMLP) ("Summit") assets (the "Mountaineer gathering and compression agreement," and together with the 2019 gathering and compression agreement, the Marcellus gathering and compression agreement and the Utica compression agreement, the "gathering and compression agreements"). See Note 6—Property and Equipment for additional information. The 2019 gathering and compression agreement, Marcellus gathering and compression agreement and Mountaineer gathering and compression agreement have initial terms through 2038, 2031 and 2026, respectively, and the Utica compression agreement has two dedicated areas that expire in 2024 and 2030. Upon expiration of the Marcellus gathering and compression agreement, the Utica compression agreement and the Mountaineer gathering and compression agreement, the Company will continue to provide gathering and compression services under the 2019 gathering and compression agreement. Pursuant to the gathering and compression agreements, Antero Resources has dedicated substantially all of its current and future acreage in West Virginia, Ohio and Pennsylvania to the Company for gathering and compression services. The Company also has an option to gather and compress natural gas produced by Antero Resources on any additional undedicated acreage it acquires during the term of the 2019 gathering and compression agreement outside of West Virginia, Ohio and Pennsylvania on the same terms and conditions as the 2019 gathering and compression agreement. Upon completion of the initial contract term in 2038, the 2019 gathering and compression agreement will continue in effect from year to year until such time as the agreement is terminated, effective upon an anniversary of the effective date of the agreement, by notice from either the Company or Antero Resources to the other party on or before the 180th day prior to the anniversary of such agreement.

The 2019 gathering and compression agreement included a growth incentive fee program whereby low pressure gathering fees were reduced from 2020 through 2023 to the extent Antero Resources achieved certain quarterly volumetric targets during such time. Antero Resources' throughput gathered under the Marcellus gathering and compression agreement was not considered in low pressure gathering volume targets. For the three and nine months ended September 30, 2023, Antero Resources earned rebates of \$12 million and \$36 million, respectively, from the Company by achieving the first level volumetric target during each of the first three quarters of 2023. The growth incentive fee rebate program expired on December 31, 2023.

Under the gathering and compression agreements, the Company receives, where applicable, a low pressure gathering fee, a high pressure gathering fee and a compression fee, substantially all of which are subject to annual Consumer Price Index ("CPI")-based adjustments (or, in the case of the 2019 gathering and compression agreement, the option in certain cases to elect a cost of service fee when such assets are placed in-service). In addition, under the 2019 gathering and compression agreement, the Company receives a reimbursement for certain variable costs, such as electricity and operating expenses.

ANTERO MIDSTREAM CORPORATION

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

The Company determined that its gathering and compression agreements are operating leases as Antero Resources obtains substantially all of the economic benefit of the assets and has the right to direct the use of the assets. Each gathering and compression system is an identifiable asset, and consists of a network of assets that may include underground low pressure pipelines that connect and deliver gas from specific well pads to compressor stations to compress the gas before delivery to underground high pressure pipelines that transport the gas to a third-party pipeline, third-party processing plant or a Joint Venture processing plant. Each compression system is an identifiable asset, and consists of a network of assets that include compressor stations that connect to underground high pressure pipelines that transport the gas to a third-party pipeline, third-party processing plant or a Joint Venture processing plant. Each set of assets in an agreement is considered to be a single lease due to the interrelated network of the assets required to provide services under each respective agreement. When a modification to an agreement occurs, the Company reassesses the classification of the lease. The Company accounts for its lease and non-lease components as a single lease component as the lease component is the predominant component. The non-lease components consist of operating, oversight and maintenance of the gathering systems, which are performed on time-elapsed measures.

The 2019 gathering and compression agreement, the Marcellus gathering and compression agreement and the Mountaineer gathering and compression agreement include certain fixed fee provisions. If and to the extent Antero Resources requests that the Company construct new low pressure lines, high pressure lines and/or compressor stations, the 2019 gathering and compression agreement contains options at the Company's election for either (i) minimum volume commitments that require Antero Resources to utilize or pay for 75% of the high pressure gathering capacity and 70% of the compression capacity of such new construction for 10 years or (ii) a cost of service fee that allows the Company to earn a 13% rate of return on such new construction over seven years, which election is made individually for each piece of equipment placed in service. The Marcellus gathering and compression agreement provides for a minimum volume commitment that requires Antero Resources to utilize or pay for 25% of the compression capacity for a period of 10 years from the in-service date. The Mountaineer gathering and compression agreement provides for monthly minimum compression and gathering fees for each compressor station or high pressure gathering line, respectively, for a period of 12 years commencing 90 days after such asset's in-service date. All lease payments under the minimum volume commitments, cost of service fees and minimum gathering and compression fees are considered to be in-substance fixed lease payments ("minimum lease payments") under the gathering and compression agreements. As of September 30, 2024, the minimum lease payments for the 2019 gathering and compression agreement, Marcellus gathering and compression agreement and Mountaineer gathering and compression agreement end in 2034, 2024 and 2026, respectively.

The Company recognizes lease income from its minimum lease payments under its gathering and compression agreements on a straight-line basis. Additional variable operating lease income is earned when volumes in excess of the minimum commitments or fees are delivered under the contract. The Company recognizes variable lease income when low pressure volumes are delivered to a compressor station, compression volumes are delivered to a high pressure line and high pressure volumes are delivered to a processing plant or transmission pipeline, as applicable. Minimum volume commitments for each of the 2019 gathering and compression agreement and Marcellus gathering and compression agreement are aggregated such that each agreement has a single minimum volume commitment for the respective service each year. The Mountaineer gathering and compression agreement minimum compression and gathering fees are not subject to aggregation and are determined on a monthly basis for each compressor station and gathering line, respectively, subject to such agreement. The Company invoices the customer the month after each service is performed, and payment is due in the same month. The Company is not party to any leases that have not commenced.

Minimum future lease cash flows to be received by the Company under the gathering and compression agreements as of September 30, 2024 are as follows (in thousands):

Remainder of year ending December 31, 2024	\$	58,702
Year ending December 31, 2025		320,323
Year ending December 31, 2026		301,108
Year ending December 31, 2027		236,768
Year ending December 31, 2028		168,465
Thereafter		276,219
Total	\$	<u>1,361,585</u>

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(b) Water Handling

The Company is party to a water services agreement with Antero Resources, whereby the Company provides certain water handling services to Antero Resources within an area of dedication in defined service areas in West Virginia and Ohio. The initial term of the water services agreement runs to 2035. Upon completion of the initial term in 2035, the water services agreement will continue in effect from year to year until such time as the agreement is terminated, effective upon an anniversary of the effective date of the agreement, by notice from either the Company or Antero Resources to the other party on or before the 180th day prior to the anniversary of such agreement. Under the agreement, the Company receives a fixed fee for fresh water deliveries by pipeline directly to the well site, subject to annual CPI-based adjustments. In addition, the Company also provides other fluid handling services. These operations, along with the Company's fresh water delivery systems, support well completion and production operations for Antero Resources. These services are provided by the Company directly or through third-parties with which the Company contracts. For these other fluid handling services provided by third-parties, Antero Resources reimburses the Company's third-party out-of-pocket costs plus 3%. For these other fluid handling services provided by the Company, the Company charges Antero Resources a cost of service fee.

The Company satisfies its performance obligations and recognizes revenue when (i) the fresh water volumes have been delivered to the hydration unit of a specified well pad or (ii) other fluid handling services have been completed. The Company invoices the customer the month after water services are performed, and payment is due in the same month. For services contracted through third-party providers, the Company's performance obligation is satisfied when the service to be performed by the third-party provider has been completed. The Company invoices the customer after the third-party provider billing is received, and payment is due in the same month.

Transaction Price Allocated to Remaining Performance Obligations

The Company's water service agreement with Antero Resources has a term greater than one year. The Company is not required to disclose the transaction price allocated to remaining performance obligations if the variable consideration is allocated entirely to a wholly unsatisfied performance obligation. Under this contract, each unit of product delivered to the customer represents a separate performance obligation; therefore, future volumes are wholly unsatisfied and disclosure of the transaction price allocated to remaining performance obligations is not required.

The Company also performs water services for third-party customers and such contracts are short-term in nature with a contract term of one year or less. Accordingly, the Company is exempt from disclosure of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

Contract Balances

Under the Company's water service contracts, the Company invoices customers after the performance obligations have been satisfied, at which point payment is unconditional. Accordingly, the Company's water service contracts do not give rise to contract assets or liabilities.

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(c) Disaggregation of Revenue

In the following table, revenue is disaggregated by type of service and type of fee and is identified by the reportable segment to which such revenues relate. For additional information on reportable segments, see Note 15—Reportable Segments.

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,		Reportable Segment
	2023	2024	2023	2024	
Type of service					
Gathering—low pressure	\$ 106,731	107,418	\$ 311,410	319,734	Gathering and Processing ⁽¹⁾
Gathering—low pressure fee rebate	(12,000)	—	(36,000)	—	Gathering and Processing ⁽¹⁾
Compression	62,903	63,887	182,858	189,119	Gathering and Processing ⁽¹⁾
Gathering—high pressure	57,358	63,542	167,368	182,580	Gathering and Processing ⁽¹⁾
Fresh water delivery	40,989	28,091	128,214	103,937	Water Handling
Other fluid handling	25,526	24,600	80,755	76,350	Water Handling
Amortization of customer relationships	(9,271)	(9,271)	(27,814)	(27,814)	Gathering and Processing
Amortization of customer relationships	(8,397)	(8,397)	(25,190)	(25,190)	Water Handling
Total	\$ 263,839	269,870	\$ 781,601	818,716	
Type of contract					
Per unit fixed fee	\$ 226,992	234,847	\$ 661,636	691,433	Gathering and Processing ⁽¹⁾
Gathering—low pressure fee rebate	(12,000)	—	(36,000)	—	Gathering and Processing ⁽¹⁾
Per unit fixed fee	41,371	28,489	129,143	105,419	Water Handling
Cost plus 3%	19,789	16,469	63,031	53,007	Water Handling
Cost of service fee	5,355	7,733	16,795	21,861	Water Handling
Amortization of customer relationships	(9,271)	(9,271)	(27,814)	(27,814)	Gathering and Processing
Amortization of customer relationships	(8,397)	(8,397)	(25,190)	(25,190)	Water Handling
Total	\$ 263,839	269,870	\$ 781,601	818,716	

(1) Revenue related to the gathering and processing segment is classified as lease income related to the gathering and compression systems.

The Company's receivables from its contracts with customers and operating leases as of December 31, 2023 and September 30, 2024, were \$89 million and \$98 million, respectively.

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(6) Property and Equipment

(a) Summary of Property and Equipment

Property and equipment, net consisted of the following items:

(in thousands)	Estimated Useful Lives	December 31, 2023	(Unaudited) September 30, 2024
Land	n/a	\$ 31,668	31,237
Gathering systems and facilities	40-50 years ⁽¹⁾	3,345,845	3,531,786
Permanent buried pipelines and equipment	7-20 years	646,469	654,250
Surface pipelines and equipment	1-7 years	90,871	105,409
Heavy trucks and equipment	3-5 years	5,157	4,413
Above ground storage tanks	5-10 years	5,130	5,131
Other assets	3-20 years	8,110	8,111
Construction-in-progress	n/a	192,852	189,475
Total property and equipment		4,326,102	4,529,812
Less accumulated depreciation		(532,579)	(637,658)
Property and equipment, net		\$ 3,793,523	3,892,154

(1) Gathering systems and facilities are recognized as a single-leased asset with no residual value.

(b) Asset Acquisition

On May 1, 2024, the Company acquired certain Marcellus gas gathering and compression assets from Summit for \$70 million in cash, before closing adjustments, with an effective date of April 1, 2024. The acquired assets include 48 miles of high pressure gathering pipelines and two compressor stations with 100 MMcf/d of compression capacity. These assets were already interconnected to the Company's low pressure and high pressure gas gathering systems at the time of acquisition and service Antero Resources' production. Substantially all of the cash consideration for this asset acquisition was allocated to gathering systems and facilities, included in property and equipment, net in the condensed consolidated balance sheet.

(7) Long-Term Debt

Long-term debt consisted of the following items:

(in thousands)	December 31, 2023	(Unaudited) September 30, 2024
Credit Facility (a)	\$ 630,100	539,900
7.875% senior notes due 2026 (b)	550,000	—
5.75% senior notes due 2027 (c)	650,000	650,000
5.75% senior notes due 2028 (d)	650,000	650,000
5.375% senior notes due 2029 (e)	750,000	750,000
6.625% senior notes due 2032 (f)	—	600,000
Total principal	3,230,100	3,189,900
Unamortized debt premium	1,291	985
Unamortized debt issuance costs	(18,175)	(19,221)
Total long-term debt	\$ 3,213,216	3,171,664

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(a) Credit Facility

On July 30, 2024, Antero Midstream Partners LP (“Antero Midstream Partners”), an indirect, wholly owned subsidiary of Antero Midstream Corporation, as borrower (the “Borrower”), amended and restated its senior secured revolving credit facility with a consortium of banks. References to the (i) “Prior Credit Facility” refer to the credit facility in effect for periods prior to July 30, 2024, (ii) “New Credit Facility” refer to the credit facility in effect on or after July 30, 2024 and (iii) “Credit Facility” refer to the Prior Credit Facility and New Credit Facility, collectively.

Lender commitments under the Credit Facility were \$1.25 billion as of December 31, 2023 and September 30, 2024, respectively. The New Credit Facility matures on July 30, 2029; provided that if on the date that is 91 days prior to the stated maturity of the 2027 Notes (as defined below), the 2028 Notes (as defined below) or the 2029 Notes (as defined below), a principal amount greater than or equal to \$50 million of the applicable Notes and the sum (A) of Total Outstandings (as defined in the New Credit Facility) plus (B) the outstanding principal amount of such notes on such date minus (C) consolidated unrestricted cash of the Borrower exceeds 85% of the Aggregate Commitments (as defined in the New Credit Facility), the New Credit Facility will mature on such date. As of September 30, 2024, the New Credit Facility had an available borrowing capacity of \$710 million.

The Credit Facility contains certain covenants including restrictions on indebtedness, and requirements with respect to leverage and interest coverage ratios. The Credit Facility permits distributions to the holders of the Borrower’s equity interests in accordance with the cash distribution policy, provided that no event of default exists or would be caused thereby, and only to the extent permitted by the Borrower’s organizational documents. The Borrower was in compliance with all of the financial covenants under the Credit Facility as of December 31, 2023 and September 30, 2024, respectively.

The Credit Facility provides for borrowing under either the Adjusted Term Secured Overnight Financing Rate (“SOFR”) or the Base Rate (as each term is defined in the Credit Facility). Principal amounts borrowed are payable on the maturity date with such borrowings bearing interest that is payable with respect to (i) Base Rate loans, quarterly and (ii) SOFR Loans at the end of the applicable interest period if three months (or shorter, if applicable), or every three months if the applicable interest period is longer than three months. Interest is payable at a variable rate based on SOFR or the Base Rate, determined by election at the time of borrowing, plus an applicable interest margin rate under the Credit Facility. During any period that is not an Investment Grade Period (as defined in the New Credit Facility), the interest margin is determined with reference to the Borrower’s then-current leverage ratio subject to certain exceptions, which for SOFR loans range from 1.50% to 2.50%. Commitment fees on the unused portion of the New Credit Facility are due quarterly at rates ranging from 0.25% to 0.375% subject to certain exceptions based on the leverage ratio then in effect.

As of December 31, 2023, the Borrower had outstanding borrowings under the Prior Credit Facility of \$630 million with a weighted average interest rate of 7.08%. As of September 30, 2024, the Borrower had outstanding borrowings under the New Credit Facility of \$540 million with a weighted average interest rate of 6.59%. No letters of credit were outstanding under the Credit Facility as of December 31, 2023 and September 30, 2024.

(b) 7.875% Senior Notes Due 2026

On November 10, 2020, Antero Midstream Partners and its wholly owned subsidiary, Antero Midstream Finance Corp (“Finance Corp,” and together with Antero Midstream Partners, the “Issuers”) issued \$550 million in aggregate principal amount of 7.875% senior notes due May 15, 2026 (the “2026 Notes”) at par. The Issuers repurchased or otherwise fully redeemed all of the 2026 Notes during the first and second quarters of 2024, and the 2026 Notes were fully retired as of May 16, 2024. Interest on the 2026 Notes was payable on May 15 and November 15 of each year.

During the nine months ended September 30, 2024, the Issuers repurchased or otherwise fully redeemed \$550 million aggregate principal amount of its 2026 Notes at a weighted average premium of 101.975% of the principal amount thereof, plus accrued and unpaid interest, and recognized a loss on early debt extinguishment of \$14 million, which included the write-off of all unamortized debt issuance costs.

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(c) 5.75% Senior Notes Due 2027

On February 25, 2019, the Issuers issued \$650 million in aggregate principal amount of 5.75% senior notes due March 1, 2027 (the “2027 Notes”) at par. The 2027 Notes were recorded at their fair value of \$653.3 million as of March 12, 2019, and the related premium of \$3.3 million will be amortized into interest expense over the life of the 2027 Notes. The 2027 Notes are unsecured and effectively subordinated to the Credit Facility to the extent of the value of the collateral securing the Credit Facility. The 2027 Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis by Antero Midstream Corporation, Antero Midstream Partners’ wholly owned subsidiaries (other than Finance Corp) and certain of its future restricted subsidiaries. Interest on the 2027 Notes is payable on March 1 and September 1 of each year. Antero Midstream Partners may redeem all or part of the 2027 Notes at any time at redemption prices ranging from 100.958% currently to 100.00% on or after March 1, 2025. If Antero Midstream Partners undergoes a change of control followed by a rating decline, the holders of the 2027 Notes will have the right to require Antero Midstream Partners to repurchase all or a portion of the 2027 Notes at a price equal to 101% of the principal amount of the 2027 Notes, plus accrued and unpaid interest.

(d) 5.75% Senior Notes Due 2028

On June 28, 2019, the Issuers issued \$650 million in aggregate principal amount of 5.75% senior notes due January 15, 2028 (the “2028 Notes”) at par. The 2028 Notes are unsecured and effectively subordinated to the Credit Facility to the extent of the value of the collateral securing the Credit Facility. The 2028 Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis by Antero Midstream Corporation, Antero Midstream Partners’ wholly owned subsidiaries (other than Finance Corp) and certain of its future restricted subsidiaries. Interest on the 2028 Notes is payable on January 15 and July 15 of each year. Antero Midstream Partners may redeem all or part of the 2028 Notes at any time at redemption prices ranging from 101.917% currently to 100.00% on or after January 15, 2026. If Antero Midstream Partners undergoes a change of control followed by a rating decline, the holders of the 2028 Notes will have the right to require Antero Midstream Partners to repurchase all or a portion of the 2028 Notes at a price equal to 101% of the principal amount of the 2028 Notes, plus accrued and unpaid interest.

(e) 5.375% Senior Notes Due 2029

On June 8, 2021, the Issuers issued \$750 million in aggregate principal amount of 5.375% senior notes due June 15, 2029 (the “2029 Notes”) at par. The 2029 Notes are unsecured and effectively subordinated to the Credit Facility to the extent of the value of the collateral securing the Credit Facility. The 2029 Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis by Antero Midstream Corporation, Antero Midstream Partners’ wholly owned subsidiaries (other than Finance Corp) and certain of its future restricted subsidiaries. Interest on the 2029 Notes is payable on June 15 and December 15 of each year. Antero Midstream Partners may redeem all or part of the 2029 Notes at any time at redemption prices ranging from 102.688% currently to 100.00% on or after June 15, 2026. If Antero Midstream Partners undergoes a change of control followed by a rating decline, the holders of the 2029 Notes will have the right to require Antero Midstream Partners to repurchase all or a portion of the 2029 Notes at a price equal to 101% of the principal amount of the 2029 Notes, plus accrued and unpaid interest.

(f) 6.625% Senior Notes Due 2032

On January 16, 2024, the Issuers issued \$600 million in aggregate principal amount of 6.625% senior notes due February 1, 2032 (the “2032 Notes”) at par. The 2032 Notes are unsecured and effectively subordinated to the Credit Facility to the extent of the value of the collateral securing the Credit Facility. The 2032 Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis by Antero Midstream Corporation, Antero Midstream Partners’ wholly owned subsidiaries (other than Finance Corp) and certain of its future restricted subsidiaries. Interest on the 2032 Notes is payable on February 1 and August 1 of each year. Antero Midstream Partners may redeem all or part of the 2032 Notes at any time on or after February 1, 2027 at redemption prices ranging from 103.313% on or after February 1, 2027 to 100.00% on or after February 1, 2029. In addition, prior to February 1, 2027, Antero Midstream Partners may redeem up to 35% of the aggregate principal amount of the 2032 Notes with an amount of cash not greater than the net cash proceeds of certain equity offerings, if certain conditions are met, at a redemption price of 106.625% of the principal amount of the 2032 Notes, plus accrued and unpaid interest. At any time prior to February 1, 2027, Antero Midstream Partners may also redeem the 2032 Notes, in whole or in part, at a price equal to 100% of the principal amount of the 2032 Notes plus a “make-whole” premium and accrued and unpaid interest. If Antero Midstream Partners undergoes a change of control followed by a rating decline, the

ANTERO MIDSTREAM CORPORATION

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

holders of the 2032 Notes will have the right to require Antero Midstream Partners to repurchase all or a portion of the 2032 Notes at a price equal to 101% of the principal amount of the 2032 Notes, plus accrued and unpaid interest.

(g) Senior Notes Guarantors

The Company and each of the Company's wholly owned subsidiaries (except for the Issuers) has fully and unconditionally guaranteed the 2027 Notes, 2028 Notes, 2029 Notes and 2032 Notes (collectively the "Senior Notes"). In the event a guarantor is sold or disposed of (whether by merger, consolidation, the sale of a sufficient amount of its capital stock so that it no longer qualifies as a Restricted Subsidiary (as defined in the applicable indenture governing the series of Senior Notes) of the Issuer or the sale of all or substantially all of its assets) and whether or not the guarantor is the surviving entity in such transaction to a person that is not an Issuer or a Restricted Subsidiary of an Issuer, such guarantor will be released from its obligations under its guarantee if the sale or other disposition does not violate the covenants set forth in the indentures governing the applicable Senior Notes.

In addition, a guarantor will be released from its obligations under the applicable indenture and its guarantee (i) upon the release or discharge of the guarantee of other indebtedness under a credit facility that resulted in the creation of such guarantee, except a release or discharge by or as a result of payment under such guarantee, (ii) if the Issuers designate such subsidiary as an unrestricted subsidiary and such designation complies with the other applicable provisions of the indenture governing the applicable Senior Notes or (iii) in connection with any covenant defeasance, legal defeasance or satisfaction and discharge of the applicable Senior Notes.

During the three and nine months ended September 30, 2023 and 2024, all of the Company's assets and operations are attributable to the Issuers and its guarantors.

(8) Accrued Liabilities

Accrued liabilities consisted of the following items:

(in thousands)	December 31, 2023	(Unaudited) September 30, 2024
Capital expenditures	\$ 22,195	24,578
Operating expenses	12,060	15,217
Interest expense	37,565	29,577
Ad valorem taxes	6,521	3,210
Other	2,289	2,983
Total accrued liabilities	<u>\$ 80,630</u>	<u>75,565</u>

(9) Equity-Based Compensation**(a) Summary of Equity-Based Compensation**

The Company's equity-based compensation includes costs related to its long term incentive plans. Antero Midstream's equity-based compensation expense is included in general and administrative expenses, and recorded as a credit to additional paid-in capital.

Effective March 12, 2019, the Board of Directors of Antero Midstream Corporation (the "Board") adopted the Antero Midstream Corporation Long Term Incentive Plan under which awards may be granted to employees, directors, and other service providers of the Company and its affiliates. On June 5, 2024, that Company's stockholders approved the Amended and Restated Antero Midstream Corporation Long Term Incentive Plan (the "AM LTIP"). This amendment increased the number of shares of the Company's common stock reserved for awards from 15,398,901 shares to 28,735,901 shares, and extended the term of the plan from March 12, 2029 to June 5, 2034. The AM LTIP provides for the grant of stock options, stock appreciation rights, restricted stock, restricted stock units ("RSUs"), dividend equivalents, other stock-based awards, cash awards and substitute awards. The terms and conditions of the awards granted are established by the compensation committee of the Board. As of September 30, 2024, a total of 16,306,731 shares were available for future grant under the AM LTIP.

ANTERO MIDSTREAM CORPORATION

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

The Company's equity-based compensation expense, by type of award, is as follows:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2024	2023	2024
Restricted stock units	\$ 6,358	9,114	17,969	25,036
Performance share units	1,741	2,582	4,525	7,087
Equity awards issued to directors	250	249	681	748
Total expense	<u>\$ 8,349</u>	<u>11,945</u>	<u>23,175</u>	<u>32,871</u>

(b) Restricted Stock Unit Awards

A summary of the RSU awards activity is as follows:

	Number of Units	Weighted Average Grant Date Fair Value
Total awarded and unvested—December 31, 2023	5,877,170	\$ 10.28
Granted	2,476,696	13.45
Vested	(2,617,562)	10.01
Forfeited	(68,868)	12.11
Total awarded and unvested—September 30, 2024	<u>5,667,436</u>	<u>\$ 11.76</u>

As of September 30, 2024, unamortized equity-based compensation expense of \$48 million related to the unvested RSUs is expected to be recognized over a weighted average period of 1.9 years.

(c) Performance Share Unit Awards

2024 Performance Share Unit Awards

In March 2024, the Company granted performance share unit awards ("PSUs") to certain of its executive officers that vest based on the Company's actual return on invested capital ("ROIC") (as defined in the award agreement) over a three-year period concluding on December 31, 2026 as compared to a targeted ROIC ("2024 ROIC PSUs"). The number of shares of the Company's common stock that can be earned with respect to the 2024 ROIC PSUs ranges from zero to 200% of the target number of 2024 ROIC PSUs originally granted. The grant date fair value of these awards was based on the closing price of the Company's common stock on the date of the grant, assuming target achievement of the performance condition. Expense related to the 2024 ROIC PSUs is recognized based on the number of shares of the Company's common stock that are expected to be issued at the end of the measurement period, and such expense is reversed if the likelihood of achieving the performance condition decreases. The likelihood of achieving the performance conditions related to 2024 ROIC PSU awards was probable as of September 30, 2024.

Summary Information for Performance Share Unit Awards

A summary of the PSU awards activity is as follows:

	Number of Units	Weighted Average Grant Date Fair Value
Total awarded and unvested—December 31, 2023	952,101	\$ 10.90
Granted	350,237	13.44
Total awarded and unvested—September 30, 2024	<u>1,302,338</u>	<u>\$ 11.59</u>

As of September 30, 2024, unamortized equity-based compensation expense of \$14 million related to the unvested PSUs is expected to be recognized over a weighted average period of 1.7 years.

ANTERO MIDSTREAM CORPORATION

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(10) Cash Dividends

The Company paid cash dividends for the quarter indicated as follows (in thousands, except per share data):

Period	Record Date	Dividend Date	Dividends		Dividends per Share
Q4 2022	January 25, 2023	February 8, 2023	\$	108,364	\$ 0.2250
*	February 14, 2023	February 14, 2023		138	*
Q1 2023	April 26, 2023	May 10, 2023		110,607	0.2250
*	May 15, 2023	May 15, 2023		137	*
Q2 2023	July 26, 2023	August 9, 2023		107,900	0.2250
*	August 14, 2023	August 14, 2023		138	*
Q3 2023	October 25, 2023	November 8, 2023		107,975	0.2250
*	November 14, 2023	November 14, 2023		137	*
	Total 2023		\$	435,396	
Q4 2023	January 24, 2024	February 7, 2024	\$	107,918	\$ 0.2250
*	February 14, 2024	February 14, 2024		138	*
Q1 2024	April 24, 2024	May 8, 2024		112,818	0.2250
*	May 15, 2024	May 15, 2024		137	*
Q2 2024	July 24, 2024	August 7, 2024		108,516	0.2250
*	August 14, 2024	August 14, 2024		138	*
	Total 2024		\$	329,665	

* Dividends are paid in accordance with the terms of the Series A Preferred Stock (as defined below) as discussed in Note 11—Equity and Net Income Per Common Share.

On October 9, 2024, the Board announced the declaration of a cash dividend on the shares of the Company's common stock of \$0.2250 per share for the quarter ended September 30, 2024. The dividend is payable on November 6, 2024 to stockholders of record as of October 23, 2024. The Company pays dividends (i) out of surplus or (ii) if there is no surplus, out of the net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year, as provided under Delaware law.

The Board also declared a cash dividend of \$137,500 on the shares of Series A Preferred Stock of Antero Midstream that is payable on November 14, 2024 in accordance with the terms of the Series A Preferred Stock, which are discussed in Note 11—Equity and Net Income Per Common Share. As of September 30, 2024, there were dividends in the amount of \$68,750 accumulated in arrears on the Company's Series A Preferred Stock.

(11) Equity and Net Income Per Common Share**(a) Preferred Stock**

The Board authorized 100,000,000 shares of preferred stock on March 12, 2019, and issued 10,000 shares of preferred stock designated as "5.5% Series A Non-Voting Perpetual Preferred Stock" (the "Series A Preferred Stock"), to The Antero Foundation on that date. Dividends on the Series A Preferred Stock are cumulative from the date of original issue and payable in cash on the 45th day following the end of each fiscal quarter, or such other dates as the Board will approve, at a rate of 5.5% per annum on (i) the liquidation preference per share of Series A Preferred Stock (as described below) and (ii) the amount of accrued and unpaid dividends for any prior dividend period on such share of Series A Preferred Stock, if any. At any time following the date of issue, in the event of a change of control, or at any time on or after March 12, 2029, the Company may redeem the Series A Preferred Stock at a price equal to \$1,000 per share, plus any accrued and unpaid dividends, payable in cash; provided that if any shares of the Series A Preferred Stock are held by The Antero Foundation at the time of such redemption, the price for redemption of each share of Series A Preferred Stock will be the greater of (i) \$1,000 per share, plus any accrued but unpaid dividends, and (ii) the fair market value of the Series A Preferred Stock. On or after March 12, 2029, the holder of each share of Series A Preferred Stock (other than The Antero Foundation) may convert such shares, at any time and from time to time, at the option of the holder into a number of shares of the Company's common stock equal to the conversion ratio in effect on the applicable conversion date, subject to certain limitations. The Series A Preferred Stock ranks

ANTERO MIDSTREAM CORPORATION

Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

senior to the Company's common stock as to dividend rights, as well as with respect to rights upon liquidation, winding-up or dissolution of the Company. Holders of the Series A Preferred Stock do not have any voting rights in the Company, except as required by law, or any preemptive rights.

(b) Weighted Average Common Shares Outstanding

The following is a reconciliation of the Company's basic weighted average common shares outstanding to diluted weighted average common shares outstanding:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2024	2023	2024
Basic weighted average number of common shares outstanding	479,676	481,288	479,267	480,765
Add: Dilutive effect of RSUs	1,670	2,056	1,401	2,180
Add: Dilutive effect of PSUs	659	1,524	405	1,301
Add: Dilutive effect of Series A Preferred Stock	835	664	835	664
Diluted weighted average number of common shares outstanding	<u>482,840</u>	<u>485,532</u>	<u>481,908</u>	<u>484,910</u>

There were no anti-dilutive securities outstanding during the three and nine months ended September 30, 2023 and 2024.

(c) Net Income Per Common Share

Net income per common share—basic for each period is computed by dividing the net income or loss attributable to the Company by the basic weighted average number of common shares outstanding during the period. Net income per common share—diluted for each period is computed after giving consideration to the potential dilution from outstanding equity-based awards, calculated using the treasury stock method. During periods in which the Company incurs a net loss, diluted weighted average common shares outstanding are equal to basic weighted average common shares outstanding because the effect of all equity-based awards is anti-dilutive.

(in thousands, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2024	2023	2024
Net income	\$ 97,820	99,740	271,339	289,703
Less preferred stock dividends	(138)	(138)	(413)	(413)
Net income available to common shareholders	<u>\$ 97,682</u>	<u>99,602</u>	<u>270,926</u>	<u>289,290</u>
Net income per common share—basic	\$ 0.20	0.21	0.57	0.60
Net income per common share—diluted	\$ 0.20	0.21	0.56	0.60
Weighted average common shares outstanding—basic	479,676	481,288	479,267	480,765
Weighted average common shares outstanding—diluted	482,840	485,532	481,908	484,910

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(12) Fair Value Measurement

(a) Senior Unsecured Notes

The fair value and carrying value of the Company’s Senior Notes is as follows:

(in thousands)	December 31, 2023		(Unaudited) September 30, 2024	
	Fair Value ⁽¹⁾	Carrying Value ⁽²⁾	Fair Value ⁽¹⁾	Carrying Value ⁽²⁾
2026 Notes	\$ 565,785	546,631	—	—
2027 Notes	642,655	647,313	647,725	647,883
2028 Notes	641,030	645,702	650,780	646,435
2029 Notes	720,000	743,470	741,975	744,251
2032 Notes	—	—	619,500	593,195
Total	\$ 2,569,470	2,583,116	2,659,980	2,631,764

(1) Fair values are based on Level 2 market data inputs.

(2) Carrying values are presented net of unamortized debt issuance costs and debt premium.

(b) Other Assets and Liabilities

The carrying values of accounts receivable and accounts payable as of December 31, 2023 and September 30, 2024 approximated fair value because of their short-term nature. The carrying value of the amounts under the Credit Facility as of December 31, 2023 and September 30, 2024 approximated fair value because the variable interest rates are reflective of current market conditions.

(13) Investments in Unconsolidated Affiliates

The Company has a 50% equity interest in the joint venture to develop processing and fractionation assets with MarkWest Energy Partners, L.P. (“MarkWest”), a wholly owned subsidiary of MPLX, LP (the “Joint Venture”). The Joint Venture was formed to develop processing and fractionation assets in Appalachia. MarkWest operates the Joint Venture assets, which consist of processing plants in West Virginia and a one-third interest in two MarkWest fractionators in Ohio.

The Company also has a 15% equity interest in a gathering system of Stonewall Gas Gathering LLC (“Stonewall”), which operates a 67-mile pipeline on which Antero Resources is an anchor shipper.

The Company’s net income includes its proportionate share of the net income of the Joint Venture and Stonewall. When the Company records its proportionate share of net income, it increases equity income in the unaudited condensed consolidated statements of operations and comprehensive income and the carrying value of that investment on its condensed consolidated balance sheet. When distributions on the Company’s proportionate share of net income are received, they are recorded as reductions to the carrying value of the investment on the unaudited condensed consolidated balance sheet and are classified as cash inflows from operating activities in accordance with the nature of the distribution approach under Financial Accounting Standards Board Accounting Standard Codification Topic 230, *Statement of Cash Flows*. The Company uses the equity method of accounting to account for its investments in the Joint Venture and Stonewall because it exercises significant influence, but not control, over the entities. The Company’s judgment regarding the level of influence over its equity investments includes considering key factors such as its ownership interest, representation on the applicable Board of Directors and participation in policy-making decisions of the Joint Venture and Stonewall.

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

The following table is a reconciliation of the Company's investments in these unconsolidated affiliates:

(in thousands)	Joint Venture	Stonewall	Total Investment in Unconsolidated Affiliates
Balance as of December 31, 2023	\$ 508,821	117,829	626,650
Additional investments	—	893	893
Equity in earnings of unconsolidated affiliates ⁽¹⁾	76,658	6,137	82,795
Distributions from unconsolidated affiliates	(89,346)	(11,565)	(100,911)
Balance as of September 30, 2024	<u>\$ 496,133</u>	<u>113,294</u>	<u>609,427</u>

(1) As adjusted for the amortization of the difference between the cost of the equity investments in Stonewall and the Joint Venture and the amount of the underlying equity in the net assets of the Joint Venture and Stonewall as of March 12, 2019.

(14) Contingencies

The Company is currently involved in a consolidated lawsuit with Veolia Water Technologies, Inc. ("Veolia") relating to the Clearwater Facility.

On March 13, 2020, Antero Treatment LLC ("Antero Treatment"), a wholly owned subsidiary of the Company, filed suit against Veolia in the district court of Denver County, Colorado (the "Court"), asserting claims of fraud, breach of contract and other related claims. Antero Treatment alleges that Veolia failed to meet its contractual obligations to design and build a "turnkey" wastewater disposal facility under a Design/Build Agreement dated August 18, 2015 (the "DBA"), and that Veolia fraudulently concealed certain miscalculations and design flaws during contract negotiations and continued to conceal and fraudulently misrepresent the impact of certain design changes post-execution of the DBA. On March 13, 2020, Veolia filed a separate suit against the Company, Antero Resources, and certain of the Company's wholly owned subsidiaries (collectively, the "Antero Defendants") in Denver County, Colorado. In its lawsuit, Veolia asserted breach of contract and equitable claims against the Antero Defendants for alleged failures under the DBA. Veolia's suit was consolidated into the action filed by Antero Treatment.

Veolia and the Antero Defendants each filed partial motions to dismiss and motions for summary judgment directed at certain claims asserted by the opposing party. A bench trial on the remaining claims was held from January 24 through February 10, 2022 and concluded on February 24, 2022. At trial, Antero Treatment sought damages from Veolia of \$450 million, which represents the Company's out-of-pocket costs associated with the Clearwater Facility project. In the alternative, Antero Treatment sought damages related to multiple breaches of the DBA, totaling \$370 million. Also at trial, Veolia sought monetary damages of \$118 million, including alleged delay and extra-contractual costs and a contract balance relating to an allegation that Antero Defendants improperly terminated the DBA.

On January 3, 2023, the Court found that Antero Treatment had prevailed on its claims for breach of contract and fraud, and awarded \$242 million in damages to Antero Treatment, plus pre- and post-judgment interest and reasonable costs and attorneys' fees. The Court also found in Antero Defendants' favor on all of Veolia's affirmative claims. On January 27, 2023, the Court entered judgment in favor of Antero Treatment in the amount of \$309 million in damages, which includes pre-judgment interest. On April 10, 2023, the Court issued an order identifying an error in its previously entered judgment, and on May 3, 2023, the Court entered an amended final judgment in favor of Antero Treatment in the amount of \$280 million in damages, which includes pre-judgment interest through April 30, 2023. Antero Treatment was also awarded costs and attorneys' fees, the amount of which will be determined in separate proceedings. On May 26, 2023, Veolia filed a notice of appeal of the final judgment. On June 9, 2023, Antero Treatment filed a notice of cross-appeal. Oral argument at the Colorado Court of Appeals occurred on October 15, 2024; however, no decision by such Court has yet been issued.

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(15) Reportable Segments

(a) Summary of Reportable Segments

The Company's operations, which are located in the United States, are organized into two reportable segments: (i) gathering and processing and (ii) water handling. These segments are monitored separately by management for performance and are consistent with internal financial reporting. These segments have been identified based on the differing products and services, regulatory environment and the expertise required for these operations. Management evaluates the performance of the Company's business segments based on operating income. Interest expense is primarily managed and evaluated on a consolidated basis.

Gathering and Processing

The gathering and processing segment includes a network of gathering pipelines and compressor stations that collect and process production from Antero Resources' wells in West Virginia and Ohio. The gathering and processing segment also includes equity in earnings from the Company's investments in the Joint Venture and Stonewall.

Water Handling

The Company's water handling segment includes two independent systems that deliver water from sources including the Ohio River, local reservoirs and several regional waterways. Portions of these water handling systems are also utilized to transport flowback and produced water. The water handling systems consist of permanent buried pipelines, surface pipelines and water storage facilities, as well as pumping stations, blending facilities and impoundments to transport water throughout the systems used to deliver water for well completions.

(b) Reportable Segments Financial Information

The summarized operating results of the Company's reportable segments are as follows:

(in thousands)	Three Months Ended September 30, 2023			
	Gathering and Processing	Water Handling	Unallocated ⁽¹⁾	Consolidated Total
Revenues:				
Revenue—Antero Resources	\$ 214,992	66,132	—	281,124
Revenue—third-party	—	383	—	383
Amortization of customer relationships	(9,271)	(8,397)	—	(17,668)
Total revenues	205,721	58,118	—	263,839
Operating expenses:				
Direct operating	23,547	28,367	—	51,914
General and administrative	12,240	4,039	1,354	17,633
Facility idling	—	722	—	722
Depreciation	17,710	13,035	—	30,745
Accretion of asset retirement obligations	—	45	—	45
Loss on asset sale	467	—	—	467
Total operating expenses	53,964	46,208	1,354	101,526
Operating income	\$ 151,757	11,910	(1,354)	162,313
Equity in earnings of unconsolidated affiliates	\$ 27,397	—	—	27,397
Additions to property and equipment	\$ 31,019	14,267	—	45,286

(1) Certain expenses that are not directly attributable to gathering and processing and water handling are managed and evaluated on a consolidated basis.

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(in thousands)	Three Months Ended September 30, 2024			
	Gathering and Processing	Water Handling	Unallocated ⁽¹⁾	Consolidated Total
Revenues:				
Revenue—Antero Resources	\$ 234,847	52,294	—	287,141
Revenue—third-party	—	397	—	397
Amortization of customer relationships	(9,271)	(8,397)	—	(17,668)
Total revenues	225,576	44,294	—	269,870
Operating expenses:				
Direct operating	24,516	27,208	—	51,724
General and administrative	17,086	4,308	1,478	22,872
Facility idling	—	405	—	405
Depreciation	18,632	13,902	—	32,534
Impairment of property and equipment	332	—	—	332
Accretion of asset retirement obligations	—	49	—	49
Gain on asset sale	—	(473)	—	(473)
Total operating expenses	60,566	45,399	1,478	107,443
Operating income (loss)	\$ 165,010	(1,105)	(1,478)	162,427
Equity in earnings of unconsolidated affiliates	\$ 27,668	—	—	27,668
Additions to property and equipment	\$ 48,184	7,351	—	55,535

(1) Certain expenses that are not directly attributable to gathering and processing and water handling are managed and evaluated on a consolidated basis.

(in thousands)	Nine Months Ended September 30, 2023			
	Gathering and Processing	Water Handling	Unallocated ⁽¹⁾	Consolidated Total
Revenues:				
Revenue—Antero Resources	\$ 625,636	208,040	—	833,676
Revenue—third-party	—	929	—	929
Amortization of customer relationships	(27,814)	(25,190)	—	(53,004)
Total revenues	597,822	183,779	—	781,601
Operating expenses:				
Direct operating	72,819	89,563	—	162,382
General and administrative	33,790	15,108	4,244	53,142
Facility idling	—	1,933	—	1,933
Depreciation	61,969	39,205	—	101,174
Accretion of asset retirement obligations	—	133	—	133
Loss on settlement of asset retirement obligations	—	620	—	620
Loss (gain) on asset sale	6,039	(3)	—	6,036
Total operating expenses	174,617	146,559	4,244	325,420
Operating income	\$ 423,205	37,220	(4,244)	456,181
Equity in earnings of unconsolidated affiliates	\$ 77,825	—	—	77,825
Additions to property and equipment	\$ 90,175	39,850	—	130,025

(1) Certain expenses that are not directly attributable to gathering and processing and water handling are managed and evaluated on a consolidated basis.

ANTERO MIDSTREAM CORPORATION
Notes to the Unaudited Condensed Consolidated Financial Statements (Continued)

(in thousands)	Nine Months Ended September 30, 2024			
	Gathering and Processing	Water Handling	Unallocated ⁽¹⁾	Consolidated Total
Revenues:				
Revenue—Antero Resources	\$ 691,433	178,805	—	870,238
Revenue—third-party	—	1,482	—	1,482
Amortization of customer relationships	(27,814)	(25,190)	—	(53,004)
Total revenues	663,619	155,097	—	818,716
Operating expenses:				
Direct operating	76,849	85,202	—	162,051
General and administrative	48,181	12,524	4,607	65,312
Facility idling	—	1,339	—	1,339
Depreciation	65,661	41,544	—	107,205
Impairment of property and equipment	332	—	—	332
Accretion of asset retirement obligations	—	140	—	140
Loss on asset sale	—	906	—	906
Total operating expenses	191,023	141,655	4,607	337,285
Operating income	\$ 472,596	13,442	(4,607)	481,431
Equity in earnings of unconsolidated affiliates	\$ 82,795	—	—	82,795
Additions to property and equipment	\$ 110,514	23,493	—	134,007

(1) Certain expenses that are not directly attributable to gathering and processing and water handling are managed and evaluated on a consolidated basis.

The summarized total assets of the Company's reportable segments are as follows:

(in thousands)	December 31, 2023	(Unaudited) September 30, 2024
Gathering and Processing	\$ 4,691,827	4,783,690
Water Handling	1,045,725	993,636
Unallocated ⁽¹⁾	66	125
Total assets	\$ 5,737,618	5,777,451

(1) Certain assets that are not directly attributable to gathering and processing and water handling are managed and evaluated on a consolidated basis.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes included elsewhere in this report. The information provided below supplements, but does not form part of, our unaudited condensed consolidated financial statements. This discussion contains forward-looking statements that are based on the views and beliefs of our management, as well as assumptions and estimates made by our management. Actual results could differ materially from such forward-looking statements as a result of various risk factors, including those that may not be in the control of management. For further information on items that could impact our future operating performance or financial condition, see "Item 1A. Risk Factors" and the section entitled "Cautionary Statement Regarding Forward-Looking Statements." We do not undertake any obligation to publicly update any forward-looking statements except as otherwise required by applicable law. In this section, references to "Antero Midstream," "AM," the "Company," "we," "us," and "our" refer to Antero Midstream Corporation and its consolidated subsidiaries, unless otherwise indicated or the context otherwise requires.

Overview

We are a growth-oriented midstream energy company formed to own, operate and develop midstream energy assets to primarily service Antero Resources' production and completion activity. We believe that our strategically located assets and our relationship with Antero Resources have allowed us to become a leading midstream energy company serving the Appalachian Basin and present opportunities to expand our midstream services to other operators in the Appalachian Basin. Our assets consist of gathering pipelines, compressor stations and interests in processing and fractionation plants that collect and process production from Antero Resources' wells in the Appalachian Basin in West Virginia and Ohio. Our assets also include two independent water handling systems that deliver water from the Ohio River and several regional waterways. These water handling systems consist of permanent buried pipelines, surface pipelines and water storage facilities, as well as pumping stations, blending facilities and impoundments. Portions of these water handling systems are also utilized to transport flowback and produced water. These services are provided by us directly or through third-parties with which we contract.

Asset Acquisition

On May 1, 2024, we acquired certain Marcellus gas gathering and compression assets from Summit for \$70 million in cash, before closing adjustments, with an effective date of April 1, 2024. This acquisition was funded with our operating cash flow. The acquired assets include 48 miles of high pressure gathering pipelines and two compressor stations with 100 MMcf/d of compression capacity. These assets were already interconnected to our low pressure and high pressure gas gathering systems at the time of acquisition and service Antero Resources' production. Currently, we do not expect to make any significant capital investments related to the acquired assets. See Note 6—Property and Equipment to the unaudited condensed consolidated financial statements for more information.

Financing Highlights

Credit Facility

On July 30, 2024, we entered into an amendment and restatement of our senior secured revolving credit facility with lender commitments of \$1.25 billion, which matures on July 30, 2029 (subject to certain terms and conditions related to the outstanding balances to our 2027, 2028 and 2029 notes). See Note 7—Long-Term Debt to the unaudited condensed consolidated financial statements for more information.

Senior Notes

Issuance of 2032 Senior Notes

On January 16, 2024, we issued \$600 million of 2032 Notes at par. The 2032 Notes are unsecured and effectively subordinated to the Credit Facility to the extent of the value of the collateral securing the Credit Facility. The 2032 Notes rank pari passu to our other outstanding senior notes and are guaranteed on a full and unconditional and joint and several senior unsecured basis by our wholly owned subsidiaries and certain of our future restricted subsidiaries. The net proceeds from this offering were used to repay outstanding borrowings on the Credit Facility. See Note 7—Long-Term Debt to the unaudited condensed consolidated financial statements for more information.

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Repurchase of 2026 Senior Notes

During the nine months ended September 30, 2024, we repurchased or otherwise fully redeemed \$550 million aggregate principal amount of our 2026 Notes at a weighted average premium of 101.975% of the principal amount thereof, plus accrued and unpaid interest. The 2026 Notes were retired as of May 16, 2024. See Note 7—Long-Term Debt to the unaudited condensed consolidated financial statements for more information.

Share Repurchase Program

On February 13, 2024, our Board authorized a share repurchase program that allows us to repurchase up to \$500 million of shares of our outstanding common stock. The shares may be repurchased from time to time in open market transactions, through privately negotiated transactions or by other means in accordance with federal securities laws. The timing, as well as the number and value of shares repurchased under the program, will be determined by us at our discretion and will depend on a variety of factors, including the market price of our common stock, general market and economic conditions and applicable legal requirements. The exact number of shares to be repurchased by us is not guaranteed and the program may be suspended, modified or discontinued at any time without prior notice. The 1% U.S. federal excise tax on certain repurchases of stock by publicly traded U.S. corporations enacted as part of the Inflation Reduction Act of 2022 applies to our share repurchase program. During the three and nine months ended September 30, 2024, we did not repurchase any shares under this program.

Market Conditions and Business Trends

Commodity Markets

Benchmark prices for natural gas decreased significantly, while benchmark prices for oil remained consistent and benchmark prices for NGLs increased during the nine months ended September 30, 2024 as compared to the same period of 2023. While substantially all of our revenues are based on fixed-fee contracts that are not directly impacted by changes in commodity prices, commodity price changes do impact the revenues and cash flows of Antero Resources, and Antero Resources' drilling and development plan does have a direct impact on our gathering, compression and water handling services, revenues and cash flows. In the current economic environment, we expect that commodity prices for some or all of the commodities produced by Antero Resources could remain volatile. However, due to Antero Resources' improved liquidity and leverage position as compared to historical levels, we do not expect to experience significant variability in our throughput volumes resulting from volatile commodity prices.

Economic Indicators

The economy experienced elevated inflation levels as a result of global supply and demand imbalances, where global demand outpaced supplies beginning in 2021 and continuing through the third quarter of 2024. For example, the Consumer Price Index ("CPI") for all urban consumers increased 3.7% from September 2022 to September 2023 and an additional 2.4% from September 2023 to September 2024 as compared to the Federal Reserve's stated goal of 2%. In order to manage the inflation risk present in the United States' economy, the Federal Reserve utilized monetary policy in the form of interest rate increases beginning in March 2022 in an effort to bring the inflation rate in line with its stated goal of 2% on a long-term basis. Between March 2022 and July 2023, the Federal Reserve increased the federal funds interest rate by 5.25%. During the three months ended September 30, 2024, inflation rates began to approach the Federal Reserve's stated goal of 2%, and the Federal Reserve decreased the federal funds rate by 0.5% in September 2024. While inflationary pressures in the United States' economy have begun to subside, we continue to be impacted by the increased federal funds interest rate. See "—Results of Operations" for additional information.

The economy also continues to be impacted by global events. These events have often caused global supply chain disruptions with additional pressure due to trade sanctions on Russia and other global trade restrictions, among others. However, neither our nor Antero Resources' supply chain has experienced any significant interruptions due to such events.

Inflationary pressures and supply chain disruptions could result in further increases to our operating and capital costs that are not fixed. However, our gathering and compression and water agreements provide for annual CPI-based adjustments that mitigate a portion of such inflationary pressures.

These economic variables are beyond our control and may adversely impact our business, financial condition, results of operations and future cash flows.

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Results of Operations

We have two reportable segments: (i) gathering and processing and (ii) water handling. The gathering and processing segment includes a network of gathering pipelines and compressor stations that collect and process production from Antero Resources' wells in the Appalachian Basin, as well as equity in earnings from our investments in the Joint Venture and Stonewall. The Joint Venture and Stonewall provide processing and fractionation services and high-pressure gas gathering services, respectively, in the Appalachian Basin. The water handling segment includes (i) two independent systems that deliver water from sources including the Ohio River, local reservoirs and several regional waterways, and (ii) other fluid handling services, which include high rate transfer, wastewater transportation, disposal and blending.

Three Months Ended September 30, 2023 Compared to Three Months Ended September 30, 2024

The operating results of our reportable segments are as follows:

(in thousands)	Three Months Ended September 30, 2023			
	Gathering and Processing	Water Handling	Unallocated ⁽¹⁾	Consolidated Total
Revenues:				
Revenue—Antero Resources	\$ 226,992	66,132	—	293,124
Revenue—third-party	—	383	—	383
Gathering—low pressure fee rebate	(12,000)	—	—	(12,000)
Amortization of customer relationships	(9,271)	(8,397)	—	(17,668)
Total revenues	205,721	58,118	—	263,839
Operating expenses:				
Direct operating	23,547	28,367	—	51,914
General and administrative (excluding equity-based compensation)	5,797	2,383	1,104	9,284
Equity-based compensation	6,443	1,656	250	8,349
Facility idling	—	722	—	722
Depreciation	17,710	13,035	—	30,745
Accretion of asset retirement obligations	—	45	—	45
Loss on asset sale	467	—	—	467
Total operating expenses	53,964	46,208	1,354	101,526
Operating income	151,757	11,910	(1,354)	162,313
Other income (expense):				
Interest expense, net	—	—	(55,233)	(55,233)
Equity in earnings of unconsolidated affiliates	27,397	—	—	27,397
Total other income (expense)	27,397	—	(55,233)	(27,836)
Income before income taxes	179,154	11,910	(56,587)	134,477
Income tax expense	—	—	(36,657)	(36,657)
Net income and comprehensive income	\$ 179,154	11,910	(93,244)	97,820

(1) Corporate expenses that are not directly attributable to either the gathering and processing or water handling segments.

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(in thousands)	Three Months Ended September 30, 2024			Consolidated Total
	Gathering and Processing	Water Handling	Unallocated ⁽¹⁾	
Revenues:				
Revenue—Antero Resources	\$ 234,847	52,294	—	287,141
Revenue—third-party	—	397	—	397
Amortization of customer relationships	(9,271)	(8,397)	—	(17,668)
Total revenues	225,576	44,294	—	269,870
Operating expenses:				
Direct operating	24,516	27,208	—	51,724
General and administrative (excluding equity-based compensation)	7,495	2,203	1,229	10,927
Equity-based compensation	9,591	2,105	249	11,945
Facility idling	—	405	—	405
Depreciation	18,632	13,902	—	32,534
Impairment of property and equipment	332	—	—	332
Accretion of asset retirement obligations	—	49	—	49
Gain on asset sale	—	(473)	—	(473)
Total operating expenses	60,566	45,399	1,478	107,443
Operating income (loss)	165,010	(1,105)	(1,478)	162,427
Other income (expense):				
Interest expense, net	—	—	(51,812)	(51,812)
Equity in earnings of unconsolidated affiliates	27,668	—	—	27,668
Loss on early extinguishment of debt	—	—	(341)	(341)
Total other income (expense)	27,668	—	(52,153)	(24,485)
Income (loss) before income taxes	192,678	(1,105)	(53,631)	137,942
Income tax expense	—	—	(38,202)	(38,202)
Net income (loss) and comprehensive income (loss)	\$ 192,678	(1,105)	(91,833)	99,740

(1) Corporate expenses that are not directly attributable to either the gathering and processing or water handling segments.

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The operating data for Antero Midstream is as follows:

	Three Months Ended September 30,		Amount of Increase or Decrease	Percentage Change
	2023	2024		
Operating Data:				
Gathering—low pressure (MMcf)	305,676	301,468	(4,208)	(1) %
Compression (MMcf)	300,967	300,790	(177)	*
Gathering—high pressure (MMcf)	269,986	280,189	10,203	4 %
Fresh water delivery (MBbl)	9,750	6,514	(3,236)	(33) %
Other fluid handling (MBbl)	4,961	4,751	(210)	(4) %
Wells serviced by fresh water delivery	15	9	(6)	(40) %
Gathering—low pressure (MMcf/d)	3,323	3,277	(46)	(1) %
Compression (MMcf/d)	3,271	3,269	(2)	*
Gathering—high pressure (MMcf/d)	2,935	3,046	111	4 %
Fresh water delivery (MBbl/d)	106	71	(35)	(33) %
Other fluid handling (MBbl/d)	54	52	(2)	(4) %
Average Realized Fees⁽¹⁾:				
Average gathering—low pressure fee (\$/Mcf)	\$ 0.35	0.36	0.01	3 %
Average compression fee (\$/Mcf)	\$ 0.21	0.21	—	*
Average gathering—high pressure fee (\$/Mcf)	\$ 0.21	0.23	0.02	10 %
Average fresh water delivery fee (\$/Bbl)	\$ 4.20	4.31	0.11	3 %
Joint Venture Operating Data:				
Processing—Joint Venture (MMcf)	148,672	149,039	367	*
Fractionation—Joint Venture (MBbl)	3,680	3,680	—	*
Processing—Joint Venture (MMcf/d)	1,616	1,620	4	*
Fractionation—Joint Venture (MBbl/d)	40	40	—	*

* Not meaningful or applicable.

(1) The average realized fees for the three months ended September 30, 2024 include annual CPI-based adjustments of approximately 1.6%.

Revenues. Total revenues increased by 2%, from \$264 million for the three months ended September 30, 2023 to \$270 million for the three months ended September 30, 2024. Total revenues included amortization of customer relationships of \$18 million for the three months ended September 30, 2023 and 2024. Gathering and processing revenues increased by 10%, from \$206 million for the three months ended September 30, 2023 to \$226 million for the three months ended September 30, 2024. Water handling revenues decreased by 24%, from \$58 million for the three months ended September 30, 2023 to \$44 million for the three months ended September 30, 2024. These fluctuations primarily resulted from the following:

Gathering and Processing

- Low pressure gathering revenue increased \$13 million period over period primarily due to lower growth incentive fee rebates of \$12 million due to the expiration of the program on December 31, 2023 and increased low pressure gathering rates as a result of annual CPI-based adjustments, partially offset by decreased throughput volumes of 4 Bcf, or 46 MMcf/d. Low pressure gathering volumes decreased between periods primarily due to natural production decline, partially offset by 67 additional wells being connected to our system since September 30, 2023.
- Compression revenue increased \$1 million period over period primarily due to increased compression rates as a result of annual CPI-based adjustments. Compression volumes remained consistent between periods primarily due to 67 additional wells being connected to our system since September 30, 2023 and two compressor stations that were acquired during the second quarter of 2024, fully offset by natural production decline between periods.
- High pressure gathering revenue increased \$6 million period over period primarily due to our acquisition of 48 miles of high pressure gathering lines during the second quarter of 2024 and increased high pressure gathering rates as a result of an annual CPI-based adjustment.

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Water Handling

- Fresh water delivery revenue decreased \$13 million period over period primarily due to decreased fresh water delivery volumes of 3 MMBbl, or 35 MBbl/d, partially offset by a 1.6% increase to the fresh water delivery rate for our long-term contract with Antero Resources as a result of the annual CPI-based adjustment. Fresh water delivery volumes decreased between periods primarily due to fewer wells serviced by our fresh water delivery system as a result of the timing of well completions by Antero Resources.
- Other fluid handling services revenue decreased \$1 million period over period primarily due to lower other fluid handling volumes of 0.2 MMBbl, or 2 MBbl/d, between periods.

Direct operating expenses. Direct operating expenses remained consistent at \$52 million for the three months ended September 30, 2023 and 2024. Gathering and processing direct operating expenses increased by 4%, from \$24 million for the three months ended September 30, 2023 to \$25 million for the three months ended September 30, 2024 primarily due to our acquisition of two compressor stations and 48 miles of high pressure gathering lines during the second quarter of 2024. Water handling direct operating expenses decreased by 4%, from \$28 million for the three months ended September 30, 2023 to \$27 million for the three months ended September 30, 2024 primarily due to decreased fresh water delivery volumes during the three months ended September 30, 2024, partially offset by increased pipeline maintenance, repair and monitoring activities between periods.

General and administrative (excluding equity-based compensation) expenses. General and administrative expenses (excluding equity-based compensation expense) increased by 18% from \$9 million for the three months ended September 30, 2023 to \$11 million for the three months ended September 30, 2024 primarily due to higher costs allocated to us from Antero Resources.

Equity-based compensation expenses. Equity-based compensation expenses increased from \$8 million for the three months ended September 30, 2023 to \$12 million for the three months ended September 30, 2024 primarily due to annual equity-based awards granted during the first quarter of 2024. Our equity-based awards vest over three or four year service periods. See Note 9—Equity-Based Compensation to the unaudited condensed consolidated financial statements for additional information.

Depreciation expense. Depreciation expense remained relatively consistent at \$31 million and \$33 million for the three months ended September 30, 2023 and 2024, respectively.

Interest expense. Interest expense decreased by 6%, from \$55 million for the three months ended September 30, 2023 to \$52 million for the three months ended September 30, 2024 primarily due to lower Credit Facility borrowings between periods and lower interest expense on our Senior Notes due to the repurchase and redemption of the \$550 million principal amount of the 2026 Notes during the first and second quarters of 2024, partially offset by the issuance of \$600 million principal amount of 2032 Notes during the first quarter of 2024.

Equity in earnings of unconsolidated affiliates. Equity in earnings of unconsolidated affiliates remained relatively consistent at \$27 million and \$28 million for the three months ended September 30, 2023 and 2024, respectively.

Income tax expense. Income tax expense remained relatively consistent for the three months ended September 30, 2023 and 2024 at \$37 million and \$38 million, respectively, which reflects effective tax rates of 27.3% and 27.7%, respectively.

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Nine Months Ended September 30, 2023 Compared to Nine Months Ended September 30, 2024

The operating results of our reportable segments are as follows:

(in thousands)	Nine Months Ended September 30, 2023			Consolidated Total
	Gathering and Processing	Water Handling	Unallocated ⁽¹⁾	
Revenues:				
Revenue—Antero Resources	\$ 661,636	208,040	—	869,676
Revenue—third-party	—	929	—	929
Gathering—low pressure fee rebate	(36,000)	—	—	(36,000)
Amortization of customer relationships	(27,814)	(25,190)	—	(53,004)
Total revenues	<u>597,822</u>	<u>183,779</u>	<u>—</u>	<u>781,601</u>
Operating expenses:				
Direct operating	72,819	89,563	—	162,382
General and administrative (excluding equity-based compensation)	16,695	9,709	3,563	29,967
Equity-based compensation	17,095	5,399	681	23,175
Facility idling	—	1,933	—	1,933
Depreciation	61,969	39,205	—	101,174
Accretion of asset retirement obligations	—	133	—	133
Loss on settlement of asset retirement obligations	—	620	—	620
Loss (gain) on asset sale	6,039	(3)	—	6,036
Total operating expenses	<u>174,617</u>	<u>146,559</u>	<u>4,244</u>	<u>325,420</u>
Operating income	<u>423,205</u>	<u>37,220</u>	<u>(4,244)</u>	<u>456,181</u>
Other income (expense):				
Interest expense, net	—	—	(165,245)	(165,245)
Equity in earnings of unconsolidated affiliates	77,825	—	—	77,825
Total other income (expense)	<u>77,825</u>	<u>—</u>	<u>(165,245)</u>	<u>(87,420)</u>
Income before income taxes	501,030	37,220	(169,489)	368,761
Income tax expense	—	—	(97,422)	(97,422)
Net income and comprehensive income	<u>\$ 501,030</u>	<u>37,220</u>	<u>(266,911)</u>	<u>271,339</u>

(1) Corporate expenses that are not directly attributable to either the gathering and processing or water handling segments.

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(in thousands)	Nine Months Ended September 30, 2024			Consolidated Total
	Gathering and Processing	Water Handling	Unallocated ⁽¹⁾	
Revenues:				
Revenue—Antero Resources	\$ 691,433	178,805	—	870,238
Revenue—third-party	—	1,482	—	1,482
Amortization of customer relationships	(27,814)	(25,190)	—	(53,004)
Total revenues	663,619	155,097	—	818,716
Operating expenses:				
Direct operating	76,849	85,202	—	162,051
General and administrative (excluding equity-based compensation)	21,840	6,742	3,859	32,441
Equity-based compensation	26,341	5,782	748	32,871
Facility idling	—	1,339	—	1,339
Depreciation	65,661	41,544	—	107,205
Impairment of property and equipment	332	—	—	332
Accretion of asset retirement obligations	—	140	—	140
Loss on asset sale	—	906	—	906
Total operating expenses	191,023	141,655	4,607	337,285
Operating income	472,596	13,442	(4,607)	481,431
Other income (expense):				
Interest expense, net	—	—	(157,306)	(157,306)
Equity in earnings of unconsolidated affiliates	82,795	—	—	82,795
Loss on early extinguishment of debt	—	—	(14,091)	(14,091)
Total other income (expense)	82,795	—	(171,397)	(88,602)
Income before income taxes	555,391	13,442	(176,004)	392,829
Income tax expense	—	—	(103,126)	(103,126)
Net income and comprehensive income	\$ 555,391	13,442	(279,130)	289,703

(1) Corporate expenses that are not directly attributable to either the gathering and processing or water handling segments.

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The operating data for Antero Midstream is as follows:

	Nine Months Ended September 30,		Amount of Increase or Decrease	Percentage Change
	2023	2024		
Operating Data:				
Gathering—low pressure (MMcf)	891,805	898,386	6,581	1 %
Compression (MMcf)	879,130	892,853	13,723	2 %
Gathering—high pressure (MMcf)	788,005	822,558	34,553	4 %
Fresh water delivery (MBbl)	30,445	24,150	(6,295)	(21) %
Other fluid handling (MBbl)	14,879	14,956	77	1 %
Wells serviced by fresh water delivery	61	45	(16)	(26) %
Gathering—low pressure (MMcf/d)	3,267	3,279	12	*
Compression (MMcf/d)	3,220	3,259	39	1 %
Gathering—high pressure (MMcf/d)	2,886	3,002	116	4 %
Fresh water delivery (MBbl/d)	112	88	(24)	(21) %
Other fluid handling (MBbl/d)	55	55	—	*
Average Realized Fees⁽¹⁾:				
Average gathering—low pressure fee (\$/Mcf)	\$ 0.35	0.36	0.01	3 %
Average compression fee (\$/Mcf)	\$ 0.21	0.21	—	*
Average gathering—high pressure fee (\$/Mcf)	\$ 0.21	0.22	0.01	5 %
Average fresh water delivery fee (\$/Bbl)	\$ 4.21	4.30	0.09	2 %
Joint Venture Operating Data:				
Processing—Joint Venture (MMcf)	430,058	439,317	9,259	2 %
Fractionation—Joint Venture (MBbl)	10,455	10,960	505	5 %
Processing—Joint Venture (MMcf/d)	1,575	1,603	28	2 %
Fractionation—Joint Venture (MBbl/d)	38	40	2	5 %

* Not meaningful or applicable.

(1) The average realized fees for the nine months ended September 30, 2024 include annual CPI-based adjustments of approximately 1.6%.

Revenues. Total revenues increased by 5%, from \$782 million for the nine months ended September 30, 2023 to \$819 million for the nine months ended September 30, 2024. Total revenues included amortization of customer relationships of \$53 million for each of the nine months ended September 30, 2023 and 2024. Gathering and processing revenues increased by 11%, from \$598 million for the nine months ended September 30, 2023 to \$664 million for the nine months ended September 30, 2024. Water handling revenues decreased by 16%, from \$184 million for the nine months ended September 30, 2023 to \$155 million for the nine months ended September 30, 2024. These fluctuations primarily resulted from the following:

Gathering and Processing

- Low pressure gathering revenue increased \$45 million period over period primarily due to lower growth incentive fee rebates of \$36 million due to the expiration of the program on December 31, 2023, increased throughput volumes of 7 Bcf, or 12 MMcf/d, and increased low pressure gathering rates as a result of annual CPI-based adjustments. Low pressure gathering volumes increased between periods primarily due to 67 additional wells being connected to our system since September 30, 2023.
- Compression revenue increased \$6 million period over period primarily due to increased throughput volumes of 14 Bcf, or 39 MMcf/d, and increased compression rates as a result of annual CPI-based adjustments. Compression volumes increased between periods primarily due to 67 additional wells being connected to our system since September 30, 2023 and two compressor stations that were acquired during the second quarter of 2024.
- High pressure gathering revenue increased \$15 million period over period primarily due to increased throughput volumes of 35 Bcf, or 116 MMcf/d and increased high pressure gathering rates as a result of an annual CPI-based adjustment. The high pressure gathering volumes increased period over period primarily due to 67 additional wells being connected to our system since September 30, 2023 and our acquisition of 48 miles of high pressure gathering lines during the second quarter of 2024.

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Water Handling

- Fresh water delivery revenue decreased \$24 million period over period primarily due to decreased fresh water delivery volumes of 6 MMBbl, or 24 MBbl/d, partially offset by a 1.6% increase to the fresh water delivery rate for our long-term contract with Antero Resources as a result of the annual CPI-based adjustment. Fresh water delivery volumes decreased between periods primarily due to fewer wells serviced by our fresh water delivery system as a result of the timing of well completions by Antero Resources.
- Other fluid handling services revenue decreased \$5 million period over period primarily due to decreased water trucking volumes, which are billed at cost plus 3%, and lower high rate transfer services during the nine months ended September 30, 2024, partially offset by higher blending cost of service fees between periods.

Direct operating expenses. Direct operating expenses remained consistent at \$162 million for the nine months ended September 30, 2023 and 2024. Gathering and processing direct operating expenses increased by 6%, from \$73 million for the nine months ended September 30, 2023 to \$77 million for the nine months ended September 30, 2024 primarily due to increased gathering and compression volumes between periods and our acquisition of two compressor stations and 48 miles of high pressure gathering lines during the second quarter of 2024. Water handling direct operating expenses decreased by 5%, from \$89 million for the nine months ended September 30, 2023 to \$85 million for the nine months ended September 30, 2024 primarily due to lower fresh water volumes and decreased wastewater handling costs between periods, partially offset by increased pipeline maintenance, repair and monitoring activities.

General and administrative (excluding equity-based compensation) expenses. General and administrative expenses (excluding equity-based compensation expense) increased by 8%, from \$30 million for the nine months ended September 30, 2023 to \$32 million for the nine months ended September 30, 2024 primarily due to higher costs allocated to us from Antero Resources.

Equity-based compensation expenses. Equity-based compensation expenses increased from \$23 million for the nine months ended September 30, 2023 to \$33 million for the nine months ended September 30, 2024 primarily due to annual equity-based awards granted during the first quarter of 2024. Our equity-based awards vest over three or four year service periods. See Note 9—Equity-Based Compensation to the unaudited condensed consolidated financial statements for additional information.

Depreciation expense. Depreciation expense increased by 6%, from \$101 million for the nine months ended September 30, 2023 to \$107 million for the nine months ended September 30, 2024. This increase was primarily due to \$3 million related to assets placed in service, \$2 million of higher expense related to our program to repurpose underutilized compressor units to expand existing or construct new compressor stations during the nine months ended September 30, 2024 and \$1 million for our assets acquired during the second quarter of 2024.

Loss on asset sale. Loss on asset sale of \$6 million and \$1 million for the nine months ended September 30, 2023 and 2024, respectively, was primarily due to sales of miscellaneous equipment.

Interest expense. Interest expense decreased by 5%, from \$165 million for the nine months ended September 30, 2023 to \$157 million for the nine months ended September 30, 2024 primarily due to lower Credit Facility borrowings between periods and lower interest expense on our Senior Notes due to the repurchase and redemption of the remaining \$550 million principal amount of the 2026 Notes during the nine months ended September 30, 2024, partially offset by the issuance of \$600 million principal amount of 2032 Notes during the nine months ended September 30, 2024.

Equity in earnings of unconsolidated affiliates. Equity in earnings of unconsolidated affiliates increased by 6%, from \$78 million for the nine months ended September 30, 2023 to \$83 million for the nine months ended September 30, 2024 primarily due to increased processing and fractionation volumes and higher processing and fractionation fees as a result of annual CPI-based adjustments between periods.

Loss on early extinguishment of debt. During the nine months ended September 30, 2024, we repurchased or otherwise fully redeemed the \$550 million aggregate principal amount of our 2026 Notes at a weighted average premium of 101.975% of the principal amount thereof, plus accrued and unpaid interest, and recognized a loss on early debt extinguishment of \$14 million. There was no loss on early extinguishment of debt for the nine months ended September 30, 2023. See Note 7—Long-Term Debt to the unaudited condensed consolidated financial statements for more information.

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Income tax expense. Income tax expense increased by 6%, from \$97 million for the nine months ended September 30, 2023 to \$103 million for the nine months ended September 30, 2024, which reflects effective tax rates of 26.4% and 26.3%, respectively. The increase in income tax expense between periods is primarily due to higher income before income taxes during the nine months ended September 30, 2024.

Capital Resources and Liquidity

Sources and Uses of Cash

Capital resources and liquidity are provided by operating cash flows and available borrowings under our Credit Facility and capital market transactions. See Note 7—Long-Term Debt to the unaudited condensed consolidated financial statements. We expect that the combination of these capital resources will be adequate to meet our working capital requirements, capital expenditures program and expected quarterly cash dividends for at least the next 12 months.

Our Board declared a cash dividend on the shares of our common stock of \$0.2250 per share for the quarter ended September 30, 2024. The dividend is payable on November 6, 2024 to stockholders of record as of October 23, 2024. Our Board also declared a cash dividend of \$137,500 on the shares of Series A Preferred Stock that is payable on November 14, 2024 in accordance with their terms as discussed in Note 11—Equity and Net Income Per Common Share. As of September 30, 2024, there were dividends in the amount of \$68,750 accumulated in arrears on our Series A Preferred Stock.

We expect our future cash requirements relating to working capital, capital expenditures, acquisitions and quarterly cash dividends to our stockholders will be funded from cash flows internally generated from our operations or borrowings under the Credit Facility.

As of September 30, 2024, we did not have any off-balance sheet arrangements.

Cash Flows

The following table summarizes our cash flows for the nine months ended September 30, 2023 and 2024:

(in thousands)	Nine Months Ended September 30,	
	2023	2024
Net cash provided by operating activities	\$ 570,742	611,303
Net cash used in investing activities	(129,508)	(203,076)
Net cash used in financing activities	(441,234)	(408,293)
Net decrease in cash and cash equivalents	\$ —	(66)

Operating activities. Net cash provided by operating activities was \$571 million and \$611 million for the nine months ended September 30, 2023 and 2024, respectively. The increase in cash flows provided by operations between periods was primarily due to higher gathering and processing revenues and increased distributions from our equity method investments during the nine months ended September 30, 2024, partially offset by lower water handling revenues and changes in working capital between periods.

Investing activities. Net cash flows used in investing activities was \$130 million and \$203 million for the nine months ended September 30, 2023 and 2024, respectively. The increase in cash flows used in investing activities between periods was primarily due to our acquisition of gathering and compression assets during the second quarter of 2024 of \$70 million, before closing adjustments, and increased capital spending for our gathering and processing systems of \$20 million as a result of increased compression station and high pressure line capital projects between periods, partially offset by decreased capital spending for our water handling systems of \$16 million primarily as a result of fewer capital projects between periods.

Financing activities. Net cash used in financing activities was \$441 million and \$408 million for the nine months ended September 30, 2023 and 2024, respectively. The decrease in cash flows used in financing activities between periods was primarily due to the issuance of the 2032 Notes of \$600 million and lower net repayments on our Credit Facility of \$15 million, partially offset by our repurchases and redemption of the 2026 Notes of \$561 million, deferred financing costs payments on our 2032 Senior Notes and New Credit Facility of \$13 million and higher tax withholdings for the settlement of equity-based compensation awards of \$6 million between periods.

[Table of Contents](#)**2024 Capital Investment**

On February 14, 2024, we announced a capital budget with a range of \$150 million to \$170 million. This capital budget supports Antero Resources' maintenance capital program for 2024. Our capital budget may be adjusted as business conditions warrant. Additionally, we monitor our existing assets and look for opportunities to reuse or otherwise repurpose assets in an effort to optimize our capital efficiency.

Our capital expenditures were as follows:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2024	2023	2024
Gathering systems and facilities	\$ 42,579	49,365	98,303	115,279
Water handling systems	14,692	6,007	40,893	21,141
Investments in unconsolidated affiliates	—	893	262	893
Total capital expenditures	<u>\$ 57,271</u>	<u>56,265</u>	<u>139,458</u>	<u>137,313</u>

Debt Agreements

See Note 7—Long-Term Debt to the unaudited condensed consolidated financial statements and to “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in our 2023 Form 10-K for information on our debt agreements.

Critical Accounting Estimates

The discussion and analysis of our financial condition and results of operations are based upon our unaudited condensed consolidated financial statements, which have been prepared in accordance with GAAP. Any new accounting policies or updates to existing accounting policies as a result of recently adopted accounting standards have been included in Note 2—Summary of Significant Accounting Policies to our unaudited condensed consolidated financial statements. The preparation of our unaudited condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent liabilities. Accounting estimates and assumptions are considered to be critical if there is reasonable likelihood that materially different amounts could have been reported under different conditions, or if different assumptions had been used. We evaluate our estimates and assumptions on a regular basis. We base our estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the reported amounts in our unaudited condensed consolidated financial statements that are not readily apparent from other sources. Actual results may differ from these estimates and assumptions used in preparation of our unaudited condensed consolidated financial statements. See “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in the 2023 Form 10-K for information on our critical accounting estimates.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The primary objective of the following information is to provide forward-looking quantitative and qualitative information about our potential exposure to market risk. The term “market risk” refers to the risk of loss arising from adverse changes in commodity prices and interest rates. The disclosures are not meant to be precise indicators of expected future losses, but rather indicators of reasonably possible losses. This forward-looking information provides indicators of how we view and manage our ongoing market risk exposures.

Commodity Price Risk

Our gathering and compression and water services agreements with Antero Resources provide for fixed-fee and cost of service fee structures, and we intend to continue to pursue additional fixed-fee or cost of service fee opportunities with Antero Resources and third parties in order to avoid direct commodity price exposure. However, to the extent that our future contractual arrangements with Antero Resources or third parties do not provide for fixed-fee or cost of service fee structures, we may become subject to commodity price risk. We are subject to commodity price risks to the extent that they impact Antero Resources' development program and production and therefore our gathering, compression, and water handling volumes. We cannot predict to what extent our business would be impacted by lower commodity prices and any resulting impact on Antero Resources' operations.

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Interest Rate Risk

Our primary exposure to interest rate risk results from outstanding borrowings under the Credit Facility, which has a floating interest rate. We do not currently, but may in the future, hedge the interest on portions of our borrowings under the Credit Facility from time-to-time in order to manage risks associated with floating interest rates. As of September 30, 2024, we had \$540 million of borrowings and no letters of credit outstanding under the New Credit Facility. A 1.0% increase in the Credit Facility interest rate would have resulted in an estimated \$3 million increase in interest expense for the nine months ended September 30, 2024.

Credit Risk

We are dependent on Antero Resources as our primary customer, and we expect to derive substantially all of our revenues from Antero Resources for the foreseeable future. As a result, any event, whether in our area of operations or otherwise, that adversely affects Antero Resources' production, drilling schedule, financial condition, leverage, market reputation, liquidity, results of operations or cash flows may adversely affect our revenues and operating results.

Further, we are subject to the risk of non-payment or non-performance by Antero Resources, including with respect to our gathering and compression and water handling services agreements. We cannot predict the extent to which Antero Resources' business would be impacted if conditions in the energy industry were to deteriorate, nor can we estimate the impact such conditions would have on Antero Resources' ability to execute its drilling and development program or to perform under our agreements. Any material non-payment or non-performance by Antero Resources could adversely affect our revenues and operating results and our ability to return capital to stockholders.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Exchange Act, we have evaluated, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of September 30, 2024 at a reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS.**

Our operations are subject to a variety of risks and disputes normally incident to our business. As a result, we may, at any given time, be a defendant in various legal proceedings and litigation arising in the ordinary course of business.

We maintain insurance policies with insurers in amounts and with coverage and deductibles that we, with the advice of our insurance advisors and brokers, believe are reasonable and prudent. We cannot, however, assure you that this insurance will be adequate to protect us from all material expenses related to potential future claims for personal and property damage or that these levels of insurance will be available in the future at economical prices.

See Note 14—Contingencies to the unaudited condensed consolidated financial statements for additional information.

ITEM 1A. RISK FACTORS.

We are subject to certain risks and hazards due to the nature of the business activities we conduct. For a discussion of these risks, see “Item 1A. Risk Factors” in the 2023 Form 10-K. There have been no material changes to the risks described in such report. We may experience additional risks and uncertainties not currently known to us. Furthermore, as a result of developments occurring in the future, conditions that we currently deem to be immaterial may also materially and adversely affect us.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.**Issuer Purchases of Equity Securities**

The following table sets forth our common stock share purchase activity for each period presented:

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plan ⁽²⁾
July 1, 2024 – July 31, 2024	25,018	\$ 14.62	—	\$ 500,000,000
August 1, 2024 – August 31, 2024	—	—	—	500,000,000
September 1, 2024 – September 30, 2024	—	—	—	500,000,000
Total	25,018	\$ 14.62	—	

(1) The total number of shares purchased represents shares of our common stock transferred to us in order to satisfy tax withholding obligations incurred upon the vesting of equity-based awards held by our employees.

(2) In February 2024, the Board authorized a \$500 million share repurchase program. During the three months ended September 30, 2024, we did not make any repurchases under this program.

ITEM 5. OTHER INFORMATION.

On October 30, 2024, the Company announced that the Board, upon the recommendation of its Nominating & Governance Committee, appointed Jeffrey S. Muñoz to the Board as a Class II director. Mr. Muñoz was also appointed to serve on the Board’s Audit Committee, Environmental, Social and Governance (ESG) Committee and Nominating & Governance Committee. The Board determined that Mr. Muñoz meets the independence requirements under the rules of the New York Stock Exchange and the Company’s independence standards, and that there are no transactions between the Company and Mr. Muñoz that would require disclosure under Item 404(a) of Regulation S-K. There are no understandings or arrangements between Mr. Muñoz and any other person pursuant to which Mr. Muñoz was selected to serve as a director of the Board. In addition, the Board determined that Mr. Muñoz qualifies as an “audit committee financial expert” as defined by the SEC.

Mr. Muñoz will receive the standard non-employee director compensation for serving on the Board and committees of the Board. The specific terms of such compensation are described further in the Company’s annual proxy statement that was filed with the SEC on April 25, 2024.

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In connection with his appointment, the Company entered into an Indemnification Agreement with Mr. Muñoz pursuant to which the Company agreed to indemnify Mr. Muñoz to the fullest extent permitted under Delaware law against liability that may arise by reason of his service to the Company and to advance his expenses incurred as a result of any proceeding against him to which he could be indemnified.

The foregoing description is qualified in its entirety by reference to the full text of such Indemnification Agreement, the form of which is filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 12, 2019 and incorporated in this Item 5 by reference.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit
3.1	Certificate of Conversion of Antero Midstream Corporation, dated March 12, 2019 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (Commission File No. 001-38075) filed on March 12, 2019).
3.2	Certificate of Incorporation of Antero Midstream Corporation, dated March 12, 2019 (incorporated by reference to Exhibit 3.3 to the Company's Current Report on Form 8-K (Commission File No. 001-38075) filed on March 12, 2019).
3.3	Certificate of Amendment to Certificate of Incorporation of Antero Midstream Corporation, dated June 8, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (Commission File No. 001-38075) filed on June 8, 2023).
3.4	Amended and Restated Bylaws of Antero Midstream Corporation, dated February 14, 2023 (incorporated by reference to Exhibit 3.3 to the Company's Annual Report on Form 10-K (Commission File No. 001-38075) filed on February 15, 2023).
3.5	Certificate of Designations of Antero Midstream Corporation, dated March 12, 2019 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (Commission File No. 001-38075) filed on March 12, 2019).
4.1	Indenture, dated as of January 16, 2024, by and among Antero Midstream Partners LP, Antero Midstream Finance Corporation, the guarantors party thereto and Computershare Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (Commission File No. 001-38075) filed on January 16, 2024).
4.2	Form of 6.625% Senior Note due 2032 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K (Commission File No. 001-38075) filed on January 16, 2024).
10.1	Third Amended and Restated Credit Agreement, dated July 30, 2024, among Antero Midstream Partners LP, as the Borrower, the Lenders party thereto and Wells Fargo Banks, National Association, as Administrative Agent (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (Commission File No. 001-38075) filed on July 31, 2024).
31.1*	Certification of the Company's Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 7241).
31.2*	Certification of the Company's Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 7241).
32.1*	Certification of the Company's Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).
32.2*	Certification of the Company's Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).
101*	The following financial information from this Quarterly Report on Form 10-Q of Antero Midstream Corporation for the quarter ended September 30, 2024, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations and Comprehensive Income, (iii) Condensed Consolidated Statements of Stockholders' Equity, (iv) Condensed Consolidated Statements of Cash Flows, and (v) Notes to the Unaudited Condensed Consolidated Financial Statements, tagged as blocks of text.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

The exhibits marked with the asterisk symbol (*) are filed or furnished with this Quarterly Report on Form 10-Q.

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SIGNATURES

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

ANTERO MIDSTREAM CORPORATION

By: /s/ BRENDAN E. KRUEGER
Brendan E. Krueger
Chief Financial Officer, Vice President – Finance and Treasurer

Date: October 30, 2024

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Paul M. Rady, President and Chief Executive Officer of Antero Midstream Corporation, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 of Antero Midstream Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
 - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting.
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: October 30, 2024

/s/ Paul M. Rady

Paul M. Rady

President and Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Brendan E. Krueger, Chief Financial Officer, Vice President–Finance and Treasurer of Antero Midstream Corporation, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 of Antero Midstream Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and
 - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting.
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: October 30, 2024

/s/ Brendan E. Krueger

Brendan E. Krueger

Chief Financial Officer, Vice President – Finance and Treasurer

**CERTIFICATION OF
CHIEF EXECUTIVE OFFICER
OF ANTERO MIDSTREAM CORPORATION
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with this Quarterly Report on Form 10-Q of Antero Midstream Corporation for the quarter ended September 30, 2024, I, Paul M. Rady, President and Chief Executive Officer of Antero Midstream Corporation, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. This Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 fairly presents, in all material respects, the financial condition and results of operations of Antero Midstream Corporation for the periods presented therein.

Date: October 30, 2024

/s/ Paul M. Rady

Paul M. Rady

President and Chief Executive Officer

**CERTIFICATION OF
CHIEF FINANCIAL OFFICER
OF ANTERO MIDSTREAM CORPORATION
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with this Quarterly Report on Form 10-Q of Antero Midstream Corporation for the quarter ended September 30, 2024, I, Brendan E. Krueger, Chief Financial Officer, Vice President – Finance and Treasurer of Antero Midstream Corporation, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. This Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 fairly presents, in all material respects, the financial condition and results of operations of Antero Midstream Corporation for the periods presented therein.

Date: October 30, 2024

/s/ Brendan E. Krueger

Brendan E. Krueger

Chief Financial Officer, Vice President – Finance and Treasurer
