Q3 2026

FINANCIAL STATEMENTS

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GLOBAL GAS PRODUCER | FREE CASH FLOW FOCUSED

VERMILION ENERGY

Consolidated Interim Financial Statements

Consolidated Balance Sheet

thousands of Canadian dollars, unaudited

	Note	September 30, 2026	December 31, 2025
Assets			
Current			
Cash and cash equivalents		**44,135**	19,087
Accounts receivable		**353,849**	261,532
Income taxes receivable		**5,331**	11,953
Crude oil inventory		**27,968**	46,621
Derivative instruments		**74,325**	78,694
Prepaid expenses		**57,887**	49,399
Total current assets		**563,495**	467,286
Derivative instruments		**10,822**	25,266
Investments	4	**36,300**	43,885
Deferred taxes		**164,656**	19,002
Asset retirement reimbursement	7	**105,490**	—
Exploration and evaluation assets	6	**262,192**	284,266
Capital assets	5	**4,583,682**	4,504,515
Total assets		**5,726,637**	5,344,220
Liabilities			
Current			
Accounts payable and accrued liabilities		**435,206**	470,765
Derivative instruments		**281,876**	6,154
Income taxes payable		**48,290**	23,124
Asset retirement obligations	7	**50,722**	54,504
Total current liabilities		**816,094**	554,547
Derivative instruments		**114,917**	52,872
Long-term debt	9	**1,181,468**	1,243,397
Lease obligations		**44,951**	49,340
Asset retirement obligations	7	**1,198,709**	905,232
Deferred taxes		**302,468**	316,971
Total liabilities		**3,658,607**	3,122,359
Shareholders' Equity			
Shareholders' capital	10	**3,836,335**	3,871,914
Contributed surplus		**41,449**	46,469
Accumulated other comprehensive income		**263,180**	283,763
Deficit		**(2,072,934)**	(1,980,285)
Total shareholders' equity		**2,068,030**	2,221,861
Total liabilities and shareholders' equity		**5,726,637**	5,344,220

Approved by the Board

(Signed "Manjit Sharma")

Manjit Sharma, Director

(Signed "Dion Hatcher")

Dion Hatcher, Director

Consolidated Statements of Net (Loss) Earnings and Comprehensive (Loss) Income

thousands of Canadian dollars, except share and per share amounts, unaudited

	Note	Three Months Ended		Nine Months Ended	
		Sep 30, 2026	Sep 30, 2025	Sep 30, 2026	Sep 30, 2025
Revenue					
Petroleum and natural gas sales		**593,856**	449,502	**1,661,530**	1,362,029
Royalties		**(43,469)**	(27,398)	**(118,932)**	(86,757)
Sales of purchased commodities		**15,432**	15,036	**29,952**	59,783
Petroleum and natural gas revenue		**565,819**	437,140	**1,572,550**	1,335,055
Expenses					
Purchased commodities		**15,432**	15,036	**29,952**	59,783
Operating		**160,944**	138,415	**424,154**	375,092
Transportation		**43,502**	34,852	**115,042**	96,705
Equity based compensation		**5,457**	5,937	**15,566**	18,846
Loss (gain) on derivative instruments		**292,052**	(67,304)	**476,808**	(183,016)
Interest expense		**26,593**	34,408	**79,404**	105,078
General and administration		**20,120**	18,847	**63,129**	72,159
Foreign exchange (gain) loss		**(11,593)**	42,381	**27,710**	70,361
Other expense (income)		**2,786**	(462)	**(8,178)**	16,370
Accretion	7	**14,530**	18,901	**52,760**	52,402
Depletion and depreciation	5, 6	**148,724**	174,030	**478,659**	488,070
Gain on acquisition		**(16,221)**	—	**(16,221)**	—
		702,326	415,041	**1,738,785**	1,171,850
(Loss) earnings from continuing operations before income taxes		**(136,507)**	22,099	**(166,235)**	163,205
Income tax (recovery) expense					
Deferred		**(115,317)**	20,312	**(159,292)**	48,824
Current		**14,309**	6,339	**35,163**	40,287
		(101,008)	26,651	**(124,129)**	89,111
Net (loss) earnings from continuing operations		**(35,499)**	(4,552)	**(42,106)**	74,094
Net earnings (loss) from discontinued operations	3	**859**	7,109	**(3,834)**	(290,042)
Net (loss) earnings		**(34,640)**	2,557	**(45,940)**	(215,948)
Other comprehensive (loss) income					
Currency translation adjustments		**(17,898)**	32,391	**(13,887)**	174,284
Hedge accounting reserve, net of tax		**—**	—	**—**	1,632
Fair value adjustment on investment in securities, net of tax	4	**(6,217)**	—	**(6,696)**	—
Comprehensive (loss) income		**(58,755)**	34,948	**(66,523)**	(40,032)
Net (loss) earnings per share					
Continuing operations - basic		**(0.23)**	(0.03)	**(0.28)**	0.48
Discontinued operations - basic		**—**	0.05	**(0.03)**	(1.88)
Net (loss) earnings per share - basic		**(0.23)**	0.02	**(0.30)**	(1.40)
Continuing operations - diluted		**(0.23)**	(0.03)	**(0.28)**	0.48
Discontinued operations - diluted		**—**	0.05	**(0.03)**	(1.88)
Net (loss) earnings per share - diluted		**(0.23)**	0.02	**(0.30)**	(1.40)
Weighted average shares outstanding ('000s)					
Basic		**152,526**	153,731	**152,785**	154,080
Diluted		**152,526**	154,921	**152,785**	154,080

Consolidated Statements of Cash Flows

thousands of Canadian dollars, unaudited

	Note	Three Months Ended		Nine Months Ended	
		Sep 30, 2026	Sep 30, 2025	Sep 30, 2026	Sep 30, 2025
Operating					
Net (loss) earnings		**(34,640)**	2,557	**(45,940)**	(215,948)
Adjustments:					
Accretion	3, 7	**14,530**	18,910	**52,760**	56,662
Depletion and depreciation	3, 5, 6	**147,534**	174,033	**482,606**	534,588
Impairment expense	5	**—**	—	**—**	372,386
Gain on acquisition	5	**(16,221)**	—	**(16,221)**	—
Unrealized loss (gain) on derivative instruments		**245,187**	(16,558)	**356,581**	(62,405)
Equity based compensation		**4,921**	5,937	**4,326**	13,154
Unrealized foreign exchange (gain) loss		**(12,178)**	41,171	**22,341**	71,620
Unrealized other expense		**2,915**	3,687	**4,099**	5,400
Deferred tax (recovery) expense		**(115,129)**	24,073	**(160,134)**	(5,940)
Asset retirement obligations settled	7	**(20,379)**	(13,329)	**(46,780)**	(31,062)
Changes in non-cash operating working capital		**56,889**	148,972	**17,940**	71,849
Cash flows from operating activities		**273,429**	389,453	**671,578**	810,304
Investing					
Drilling and development	5	**(142,643)**	(144,791)	**(386,303)**	(423,493)
Exploration and evaluation	6	**(3,823)**	(771)	**(4,319)**	(19,677)
Acquisitions, net of cash acquired	5	**10,554**	(1,068)	**4,181**	(1,087,115)
Dispositions	3	**26,533**	483,525	**26,533**	483,525
Changes in non-cash investing working capital		**(30,633)**	(11,834)	**(82,400)**	(82,914)
Cash flows (used in) from investing activities		**(140,012)**	325,061	**(442,308)**	(1,129,674)
Financing					
Net borrowings on the revolving credit facility	9	**(128,570)**	(435,469)	**(47,970)**	196,872
Repayment of 2025 senior unsecured notes	9	**—**	—	**—**	(399,467)
Repayment of 2030 senior unsecured notes	9	**—**	(27,693)	**(43,626)**	(27,693)
Repayment of 2033 senior unsecured notes	9	**—**	—	**(13,460)**	—
Issuance of 2033 senior unsecured notes	9	**—**	—	**—**	562,968
Issuance of term loan	9	**—**	—	**—**	445,392
Repayment of term loan	9	**—**	(245,756)	**—**	(445,392)
Payments on lease obligations		**(1,978)**	(3,014)	**(7,492)**	(10,695)
Repurchase of shares	10	**(19,687)**	(6,320)	**(29,844)**	(29,219)
Cash dividends	10	**(20,530)**	(20,023)	**(61,790)**	(58,587)
Changes in non-cash financing working capital		**90**	(128)	**289**	(2,434)
Cash flows (used in) from financing activities		**(170,675)**	(738,403)	**(203,893)**	231,745
Foreign exchange (loss) gain on cash held in foreign currencies		**(377)**	756	**(329)**	1,949
Net change in cash and cash equivalents		**(37,635)**	(23,133)	**25,048**	(85,676)
Cash and cash equivalents, beginning of period		**81,770**	69,187	**19,087**	131,730
Cash and cash equivalents, end of period		**44,135**	46,054	**44,135**	46,054
Supplementary information for cash flows from operating activities					
Interest paid		**25,443**	19,832	**78,058**	93,033
Income taxes (refunded) paid		**(5,378)**	(9,810)	**3,375**	112,766

Consolidated Statements of Changes in Shareholders' Equity

thousands of Canadian dollars, unaudited

	Note	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Shareholders' capital	10		
Balance, beginning of period		**3,871,914**	3,918,898
Shares issued for acquisition		**—**	13,363
Vesting of equity based awards		**9,346**	16,090
Share-settled dividends on vested equity based awards		**2,317**	599
Repurchase of shares		**(47,242)**	(64,380)
Balance, end of period		**3,836,335**	3,884,570
Contributed surplus	10		
Balance, beginning of period		**46,469**	45,225
Equity based compensation		**4,326**	13,154
Vesting of equity based awards		**(9,346)**	(16,090)
Balance, end of period		**41,449**	42,289
Accumulated other comprehensive income			
Balance, beginning of period		**283,763**	135,847
Currency translation adjustments		**(13,887)**	174,284
Hedge accounting reserve		**—**	1,632
Fair value adjustment on investment in securities, net of tax	4	**(6,696)**	—
Balance, end of period		**263,180**	311,763
Deficit			
Balance, beginning of period		**(1,980,285)**	(1,288,981)
Net loss		**(45,940)**	(215,948)
Dividends declared	10	**(61,790)**	(60,012)
Share-settled dividends on vested equity based awards	10	**(2,317)**	(599)
Repurchase of shares	10	**17,398**	35,161
Balance, end of period		**(2,072,934)**	(1,530,379)
Total shareholders' equity		**2,068,030**	2,708,243

Description of equity reserves

Shareholders' capital

Represents the recognized amount for common shares issued (net of equity issuance costs and deferred taxes) less the weighted-average carrying value of shares repurchased. The price paid to repurchase common shares is compared to the carrying value of the shares and the difference is recorded against deficit.

Contributed surplus

Represents the recognized value of unvested equity based awards that will be settled in shares. Once vested, the value of the awards are transferred to shareholders' capital.

Accumulated other comprehensive income

Represents currency translation adjustments, hedge accounting reserve and fair value adjustments on investments.

Currency translation adjustments result from translating the balance sheets of subsidiaries with a foreign functional currency to Canadian dollars at period-end rates. These amounts may be reclassified to net (loss) earnings if there is a disposal or partial disposal of a subsidiary.

The hedge accounting reserve represents the effective portion of the change in fair value related to cash flow and net investment hedges recognized in other comprehensive income, net of tax and reclassified to the consolidated statement of net (loss) earnings in the same period in which the transaction associated with the hedged item occurs.

Fair value adjustment on investment in securities, net of tax, are a result of changes in the fair value of investments that have been elected to be subsequently measured at fair value through other comprehensive income.

Deficit

Represents the cumulative net (loss) earnings less distributed earnings and surplus of the price paid to repurchase common shares of Vermilion Energy Inc. over the weighted-average carrying value of the shares repurchased.

1. Basis of presentation

Vermilion Energy Inc. (the “Company” or “Vermilion”) is a corporation governed by the laws of the Province of Alberta and is actively engaged in the business of crude oil and natural gas exploration, development, acquisition, and production.

These condensed consolidated interim financial statements are in compliance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. These condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of computation as Vermilion’s consolidated financial statements for the year ended December 31, 2025 other than the new accounting policy adopted during the period as discussed in Note 7.

The operating results attributable to the Company's Saskatchewan, United States, and SA-07 in Croatia operations have been classified and presented as discontinued operations, with all other operating results presented as continuing operations. The prior period presented the results from the Saskatchewan and United States assets as discontinued operations and have been recast to include the SA-07 assets in Croatia as discontinued operations. See Note 3 - "Discontinued Operations" for additional information.

These condensed consolidated interim financial statements should be read in conjunction with Vermilion’s consolidated financial statements for the year ended December 31, 2025, which are contained within Vermilion’s Annual Report for the year ended December 31, 2025 and are available on SEDAR+ at www.sedarplus.ca or on Vermilion’s website at www.vermilionenergy.com.

These condensed consolidated interim financial statements were approved and authorized for issuance by the Board of Directors of Vermilion on November 3, 2026.

2. Segmented information

The following tables present capital expenditures and reconcile fund flows from operations for our continuing and discontinued operations:

	Three Months Ended September 30, 2026										
	Canada	France	Netherlands	Germany	Ireland	Australia	CEE	Corporate	Continuing operations	Discontinued operations [1]	Total
Drilling and development	90,806	13,428	6,562	8,388	9,550	12,031	(71)	—	140,694	1,949	142,643
Exploration and evaluation	—	—	—	3,823	—	—	—	—	3,823	—	3,823
Crude oil and condensate sales	135,666	90,442	484	26,783	—	47,181	(5)	—	300,551	—	300,551
NGL sales	34,971	—	—	—	—	—	—	—	34,971	—	34,971
Natural gas sales	70,530	—	47,141	68,845	61,805	—	10,013	—	258,334	—	258,334
Sales of purchased commodities	—	—	—	—	—	—	—	15,432	15,432	—	15,432
Royalties	(23,476)	(11,290)	—	(5,283)	—	—	(3,420)	—	(43,469)	—	(43,469)
Revenue from external customers	217,691	79,152	47,625	90,345	61,805	47,181	6,588	15,432	565,819	—	565,819
Purchased commodities	—	—	—	—	—	—	—	(15,432)	(15,432)	—	(15,432)
Transportation	(31,043)	(6,884)	—	(3,684)	(1,891)	—	—	—	(43,502)	—	(43,502)
Operating	(57,821)	(16,544)	(9,980)	(17,734)	(13,528)	(44,838)	(499)	—	(160,944)	(2)	(160,946)
General and administration	(7,407)	(4,005)	(821)	(3,111)	(2,374)	(1,609)	(793)	—	(20,120)	(141)	(20,261)
Petroleum resource rent tax	—	—	—	—	—	2,781	—	—	2,781	—	2,781
Corporate income tax (expense) recovery	—	(4,350)	(5,149)	(8,830)	1,511	(261)	—	(11)	(17,090)	—	(17,090)
Interest expense	—	—	—	—	—	—	—	(26,593)	(26,593)	—	(26,593)
Equity based compensation	—	—	—	—	—	—	—	(536)	(536)	—	(536)
Realized loss on derivative instruments	—	—	—	—	—	—	—	(46,865)	(46,865)	—	(46,865)
Realized foreign exchange loss	—	—	—	—	—	—	—	(585)	(585)	—	(585)
Realized other income	—	—	—	—	—	—	—	129	129	—	129
Fund flows from operations	**121,420**	**47,369**	**31,675**	**56,986**	**45,523**	**3,254**	**5,296**	**(74,461)**	**237,062**	**(143)**	**236,919**

	Three Months Ended September 30, 2025										
	Canada	France	Netherlands	Germany	Ireland	Australia	CEE	Corporate	Continuing operations	Discontinued operations [1]	Total
Drilling and development	92,293	10,619	19,421	11,820	1,027	10,888	643	—	146,711	(1,920)	144,791
Exploration and evaluation	—	—	—	406	—	—	195	—	601	170	771
Crude oil and condensate sales	108,984	56,583	172	16,791	—	53,755	7	—	236,292	17,172	253,464
NGL sales	22,027	—	—	—	—	—	—	—	22,027	1,210	23,237
Natural gas sales	46,451	—	24,543	34,133	66,250	—	19,806	—	191,183	967	192,150
Sales of purchased commodities	—	—	—	—	—	—	—	15,036	15,036	—	15,036
Royalties	(10,932)	(8,605)	—	(3,806)	—	—	(4,055)	—	(27,398)	(4,387)	(31,785)
Revenue from external customers	166,530	47,978	24,715	47,118	66,250	53,755	15,758	15,036	437,140	14,962	452,102
Purchased commodities	—	—	—	—	—	—	—	(15,036)	(15,036)	—	(15,036)
Transportation	(23,302)	(5,223)	—	(3,997)	(2,330)	—	—	—	(34,852)	(1,025)	(35,877)
Operating	(54,943)	(16,251)	(8,869)	(14,388)	(13,196)	(30,230)	(538)	—	(138,415)	(5,656)	(144,071)
General and administration [2]	(7,117)	(3,654)	(567)	(3,165)	(1,606)	(1,585)	(1,153)	—	(18,847)	(4,788)	(23,635)
Petroleum resource rent tax	—	—	—	—	—	(1,663)	—	—	(1,663)	—	(1,663)
Corporate income tax recovery (expense)	—	388	(155)	(145)	(177)	(230)	(2,225)	(2,132)	(4,676)	—	(4,676)
Interest expense	—	—	—	—	—	—	—	(34,408)	(34,408)	—	(34,408)
Realized gain on derivative instruments	—	—	—	—	—	—	—	61,793	61,793	—	61,793
Realized foreign exchange loss	—	—	—	—	—	—	—	(882)	(882)	—	(882)
Realized other income	—	—	—	—	—	—	—	163	163	—	163
Fund flows from operations	**81,168**	**23,238**	**15,124**	**25,423**	**48,941**	**20,047**	**11,842**	**24,534**	**250,317**	**3,493**	**253,810**

(1) Fund flows from discontinued operations is comprised of the fund flows from operations from the assets disposed of in the United States, Saskatchewan and SA-07 assets in Croatia. The prior period results have been presented to conform with current period presentation. Refer to Note 3 "Discontinued operations" for additional information.

(2) General and administrative expenses previously presented within the Corporate segment have been reclassified to our Canadian segment. The prior period results have been presented to conform with current period presentation.

	Nine Months Ended September 30, 2026										
	Canada	France	Netherlands	Germany	Ireland	Australia	CEE	Corporate	Continuing operations	Discontinued operations [1]	Total
Drilling and development	278,092	29,962	16,094	18,605	15,113	26,397	217	—	384,480	1,823	386,303
Exploration and evaluation	—	—	—	4,005	—	—	—	—	4,005	314	4,319
Crude oil and condensate sales	428,823	225,945	1,021	67,900	75	79,498	21	—	803,283	—	803,283
NGL sales	89,429	—	—	—	—	—	—	—	89,429	—	89,429
Natural gas sales	259,581	—	115,978	150,866	217,556	—	24,837	—	768,818	—	768,818
Sales of purchased commodities	—	—	—	—	—	—	—	29,952	29,952	—	29,952
Royalties	(70,039)	(28,442)	(3)	(12,518)	—	—	(7,930)	—	(118,932)	—	(118,932)
Revenue from external customers	707,794	197,503	116,996	206,248	217,631	79,498	16,928	29,952	1,572,550	—	1,572,550
Purchased commodities	—	—	—	—	—	—	—	(29,952)	(29,952)	—	(29,952)
Transportation	(79,168)	(19,277)	—	(10,933)	(5,664)	—	—	—	(115,042)	—	(115,042)
Operating	(181,731)	(47,011)	(28,615)	(44,858)	(36,934)	(82,871)	(2,134)	—	(424,154)	(236)	(424,390)
General and administration [2]	(25,756)	(12,336)	(2,953)	(10,344)	(4,428)	(4,395)	(2,917)	—	(63,129)	(500)	(63,629)
Petroleum resource rent tax	—	—	—	—	—	5,215	—	—	5,215	—	5,215
Corporate income tax (expense) recovery	(1)	(5,814)	(16,163)	(18,270)	1,181	(517)	—	(794)	(40,378)	—	(40,378)
Interest expense	—	—	—	—	—	—	—	(79,404)	(79,404)	—	(79,404)
Equity based compensation	—	—	—	—	—	—	—	(11,240)	(11,240)	—	(11,240)
Realized loss on derivative instruments	—	—	—	—	—	—	—	(120,227)	(120,227)	—	(120,227)
Realized foreign exchange loss	—	—	—	—	—	—	—	(5,362)	(5,362)	—	(5,362)
Realized other income	—	—	—	—	—	—	—	12,277	12,277	—	12,277
Fund flows from operations	**421,138**	**113,065**	**69,265**	**121,843**	**171,786**	**(3,070)**	**11,877**	**(204,750)**	**701,154**	**(736)**	**700,418**

	Nine Months Ended September 30, 2025										
	Canada	France	Netherlands	Germany	Ireland	Australia	CEE	Corporate	Continuing operations	Discontinued operations [1]	Total
Drilling and development	257,656	27,621	41,041	38,238	2,172	29,345	5,621	—	401,694	21,799	423,493
Exploration and evaluation	—	—	—	17,310	—	—	1,874	—	19,184	493	19,677
Crude oil and condensate sales	301,621	172,126	694	43,752	53	105,440	36	—	623,722	189,862	813,584
NGL sales	65,299	—	—	—	—	—	—	—	65,299	12,397	77,696
Natural gas sales	189,175	—	95,095	105,311	234,977	—	48,450	—	673,008	7,557	680,565
Sales of purchased commodities	—	—	—	—	—	—	—	59,783	59,783	—	59,783
Royalties	(45,911)	(24,929)	(10)	(8,135)	—	—	(7,772)	—	(86,757)	(40,386)	(127,143)
Revenue from external customers	510,184	147,197	95,779	140,928	235,030	105,440	40,714	59,783	1,335,055	169,430	1,504,485
Purchased commodities	—	—	—	—	—	—	—	(59,783)	(59,783)	—	(59,783)
Transportation	(62,496)	(16,683)	—	(10,706)	(6,820)	—	—	—	(96,705)	(6,969)	(103,674)
Operating	(160,344)	(49,385)	(26,404)	(40,174)	(41,014)	(55,423)	(2,348)	—	(375,092)	(59,581)	(434,673)
General and administration [2]	(36,514)	(10,161)	(3,419)	(9,950)	(4,551)	(4,452)	(3,112)	—	(72,159)	(20,407)	(92,566)
Petroleum resource rent tax	—	—	—	—	—	(5,436)	—	—	(5,436)	—	(5,436)
Corporate income tax recovery (expense)	1	313	(13,982)	(10,408)	(674)	(790)	(4,418)	(4,893)	(34,851)	—	(34,851)
Interest expense	—	—	—	—	—	—	—	(105,078)	(105,078)	—	(105,078)
Equity based compensation	—	—	—	—	—	—	—	(5,692)	(5,692)	—	(5,692)
Realized gain on derivative instruments	—	—	—	—	—	—	—	120,611	120,611	—	120,611
Realized foreign exchange gain	—	—	—	—	—	—	—	1,130	1,130	—	1,130
Realized other expense	—	—	—	—	—	—	—	(14,956)	(14,956)	—	(14,956)
Fund flows from operations	**250,831**	**71,281**	**51,974**	**69,690**	**181,971**	**39,339**	**30,836**	**(8,878)**	**687,044**	**82,473**	**769,517**

(1) Fund flows from discontinued operations is comprised of the fund flows from operations from the United States and Saskatchewan segments. The prior period results have been presented to conform with current period presentation. Refer to Note 3 "Discontinued operations" for additional information.

(2) General and administration expenses previously presented within the Corporate segment have been reclassified to our Canadian segment. The prior period results have been presented to conform with current period presentation.

Reconciliation of fund flows from continuing operations to net (loss) earnings from continuing operations:

	Three Months Ended		Nine Months Ended	
	Sep 30, 2026	Sep 30, 2025	Sep 30, 2026	Sep 30, 2025
Fund flows from continuing operations	**237,062**	250,317	**701,154**	687,044
Equity based compensation	**(4,921)**	(5,937)	**(4,326)**	(13,154)
Unrealized (loss) gain on derivative instruments	**(245,187)**	5,511	**(356,581)**	62,405
Unrealized foreign exchange gain (loss)	**12,178**	(41,499)	**(22,348)**	(71,491)
Accretion	**(14,530)**	(18,901)	**(52,760)**	(52,402)
Depletion and depreciation	**(148,724)**	(174,030)	**(478,659)**	(488,070)
Gain on acquisition	**16,221**	—	**16,221**	—
Deferred tax recovery (expense)	**115,317**	(20,312)	**159,292**	(48,824)
Unrealized other (expense) income	**(2,915)**	299	**(4,099)**	(1,414)
Net (loss) earnings from continuing operations	**(35,499)**	(4,552)	**(42,106)**	74,094

3. Discontinued operations

Croatia

On August 17, 2026, Vermilion closed the sale of the block SA-07 assets in Croatia for net proceeds of $26.5 million. The closing of the sale resulted in the derecognition of the net assets and the book value of the net assets disposed was $26.5 million.

The following table reconciles the book value of the net assets disposed of during the three and nine months ended September 30, 2026:

	September 30, 2026
Exploration and evaluation assets	**24,257**
Capital assets	**2,927**
Asset retirement obligation	**(651)**
Net assets disposed	**26,533**

Saskatchewan

On July 10, 2025, Vermilion closed the sale of the Saskatchewan and Manitoba assets for net proceeds of $392.6 million with resulting impairment of $230.9 million. The closing of the sale resulted in the derecognition of the net assets, and a gain on disposition of $2.5 million, recognized in other expense within net (loss) earnings from discontinued operations. The book value of the net assets disposed was $379.0 million.

United States

On July 31, 2025, Vermilion closed the sale of the United States assets for net proceeds of $90.9 million with resulting impairment of $141.5 million. The closing of the sale resulted in derecognition of the net assets and a loss on disposition of $6.5 million, recognized in other expense within net (loss) earnings from discontinued operations. The book value of the net assets disposed was $97.5 million.

The following table summarizes the Company's financial results from discontinued operations:

	Three Months Ended		Nine Months Ended	
	Sep 30, 2026	Sep 30, 2025	Sep 30, 2026	Sep 30, 2025
Revenue				
Petroleum and natural gas sales	**—**	19,349	**—**	209,816
Royalties	**—**	(4,387)	**—**	(40,386)
Petroleum and natural gas revenue	**—**	14,962	**—**	169,430
Expenses				
Operating	**2**	5,656	**236**	59,581
Transportation	**—**	1,025	**—**	6,969
Unrealized gain on derivative instruments	**—**	(11,047)	**—**	—
General and administration	**141**	4,788	**500**	20,407
Other expense	**—**	3,986	**—**	3,986
Foreign exchange loss (gain)	**—**	(328)	**(7)**	129
Accretion	**—**	9	**—**	4,260
Depletion and depreciation	**(1,190)**	3	**3,947**	46,518
Impairment expense	**—**	—	**—**	372,386
	(1,047)	4,092	**4,676**	514,236
Earnings (loss) from discontinued operations before income taxes	**1,047**	10,870	**(4,676)**	(344,806)
Income tax expense (recovery)				
Deferred	**188**	3,761	**(842)**	(54,764)
	188	3,761	**(842)**	(54,764)
Net earnings (loss) from discontinued operations	**859**	7,109	**(3,834)**	(290,042)

The following table summarizes cash flows from discontinued operations reported in the consolidated statements of cash flows:

	Three Months Ended		Nine Months Ended	
	Sep 30, 2026	Sep 30, 2025	Sep 30, 2026	Sep 30, 2025
Cash flows from operating activities	**(294)**	24,880	**(824)**	82,311
Cash flows used in investing activities	**1,949**	(4,390)	**2,137**	(49,474)
Cash flows from discontinued operations	**1,655**	20,490	**1,313**	32,837

4. Investments

Investments are comprised of Vermilion's ownership interest in Coelacanth Energy Inc. ("CEI"), an oil and natural gas company, actively engaged in the acquisition, development, exploration, and production of oil and natural gas reserves in northeastern British Columbia, Canada.

The following table reconciles the change in Vermilion's investments in securities:

	2026
Balance at January 1	**43,885**
Fair value adjustment [(1)]	**(7,586)**
Balance at September 30	**36,300**

(1) Investments in securities are classified as a level 1 instrument on the fair value hierarchy and use observable inputs when making fair value adjustments. A deferred tax recovery of $0.9 million was recorded on the fair value adjustment for the nine months ended September 30, 2026.

5. Capital assets

The following table reconciles the change in Vermilion's capital assets:

	2026
Balance at January 1	**4,504,515**
Acquisitions	**7,838**
Dispositions [1]	**(2,927)**
Additions	**386,303**
Increase in right-of-use assets	**1,183**
Depletion and depreciation	**(472,269)**
Changes in asset retirement obligations	**151,450**
Foreign exchange	**7,589**
Balance at September 30	**4,583,682**

[1] Refer to Note 3 "Discontinued Operations" for additional information.

Acquisition of German assets

On July 1, 2026, Vermilion completed the acquisition of certain producing assets in Germany for gross consideration substantially offset by closing adjustments. As the acquisition had an effective date preceding the closing date, the consideration was adjusted for activity attributable to the acquired interests during the intervening period.

The acquisition resulted in a gain primarily reflecting the remeasurement of Vermilion's previously held interests and adjustments arising from the period between the effective date and closing.

6. Exploration and evaluation assets

The following table reconciles the change in Vermilion's exploration and evaluation assets:

	2026
Balance at January 1	**284,266**
Additions	**4,319**
Dispositions [1]	**(24,257)**
Depreciation	**(2,107)**
Foreign exchange	**(29)**
Balance at September 30	**262,192**

[1] Refer to Note 3 "Discontinued Operations" for additional information.

7. Asset retirement obligations

Adoption of accounting policy - Asset retirement reimbursement assets

Asset retirement reimbursement assets represent amounts recoverable from third parties in respect of expenditures required to settle asset retirement obligations. A reimbursement asset is recognized when it is virtually certain that reimbursement will be received if the related obligation is settled. The amount recognized does not exceed the amount of the related asset retirement obligation.

Asset retirement reimbursement assets are measured at the present value of expected future reimbursements using assumptions consistent with those applied in measuring the related asset retirement obligations, as applicable. The assets are remeasured at each reporting date for changes in the amount and timing of expected future reimbursements and applicable discount rates. The effect of the passage of time is recognized in the statement of net earnings and reduces the accretion expense recognized on the related asset retirement obligation.

The following table reconciles the change in Vermilion's asset retirement obligations and asset retirement reimbursement:

	Asset retirement obligations 2026	Asset retirement reimbursement 2026	Net ARO exposure 2026
Balance at January 1	**959,736**	**—**	**959,736**
Additional obligations recognized	**1,700**	**—**	**1,700**
Acquisitions	**118,967**	**98,716**	**20,251**
Dispositions [1]	**(651)**	**—**	**(651)**
Obligations settled	**(46,780)**	**—**	**(46,780)**
Accretion	**60,196**	**1,701**	**58,495**
Changes in rates through net earnings	**—**	**5,735**	**(5,735)**
Changes in rates	**149,750**	**—**	**149,750**
Foreign exchange	**6,513**	**(662)**	**7,175**
Balance at September 30	**1,249,431**	**105,490**	**1,143,941**
Long-term portion	**1,198,709**	**105,490**	**1,093,219**
Current portion	**50,722**	**—**	**50,722**
Balance at September 30	**1,249,431**	**105,490**	**1,143,941**

[1] Refer to Note 3 "Discontinued Operations" for additional information.

In connection with the German asset acquisition (Note 5), Vermilion acquired a contractual right to reimbursement for certain asset retirement costs, subject to an aggregate nominal limit of €97.0 million ($157.3 million). The unused portion of this limit increases by 2% per annum. The carrying amount of the reimbursement asset reflects the present value of the estimated amounts recoverable using rates consistent with the applicable German asset retirement obligations.

In Australia, eligible asset retirement expenditures are expected to generate tax benefits under the Petroleum Resource Rent Tax regime at the applicable 40% tax rate. The asset retirement obligations are recognized on a gross basis and no corresponding deferred tax asset has been recognized, as the related tax benefits do not currently meet the recognition criteria.

Vermilion calculated the present value of the obligations using a credit-adjusted risk-free rate, calculated using a credit spread of 2.6% as at September 30, 2026 (December 31, 2025 - 4.4%) added to risk-free rates based on long-term, risk-free government bonds. Vermilion's credit spread is determined using the Company's expected cost of borrowing at the end of the reporting period.

The country-specific risk-free rates used as inputs to discount the obligations were as follows:

	Sep 30, 2026	Dec 31, 2025
Canada	**4.3 %**	3.9 %
France	**5.0 %**	4.5 %
Netherlands	**4.1 %**	3.2 %
Germany	**4.0 %**	3.4 %
Ireland	**3.8 %**	3.2 %
Australia	**5.5 %**	4.9 %
Central and Eastern Europe	**4.9 %**	4.8 %

8. Capital disclosures

Vermilion defines capital as net debt and shareholders' capital. Net debt consists of long-term debt (excluding unrealized foreign exchange on swapped USD borrowings) plus adjusted working capital (defined as current assets less current liabilities, excluding current derivatives, current asset retirement obligations and current lease liabilities). In managing capital, Vermilion reviews whether fund flows from operations is sufficient to fund capital expenditures, dividends, share buybacks, and asset retirement obligations.

The following table calculates Vermilion's ratio of net debt to four quarter trailing fund flows from operations:

	Sep 30, 2026	Dec 31, 2025
Long-term debt	**1,181,468**	1,243,397
Adjusted working capital (deficit) [(1)]	**(12,784)**	96,091
Unrealized FX on swapped USD borrowings [(2)]	**(3,297)**	2,902
Net debt	**1,165,387**	1,342,390
Ratio of net debt to four quarter trailing fund flows from operations [(3)]	**1.2**	1.4

(1) Adjusted working capital (deficit) is defined as current assets less current liabilities (excluding current derivatives, current asset retirement obligations and current lease liabilities).

(2) Vermilion may enter into cross currency interest rate swaps to hedge the foreign exchange movements on USD borrowings on our revolving credit facility. Unrealized FX on swapped USD borrowings relates to the unrealized gains and losses on our cross currency interest swaps. At September 30, 2026, there was $152.8 million of swapped USD borrowings on our revolving credit facility. (December 31, 2025 - $196.7 million).

(3) Subsequent to February 26, 2025, net debt to four quarter trailing fund flows from operations is calculated inclusive of Westbrick Energy's pre-acquisition four quarter trailing fund flows from operations, as if the acquisition of Westbrick Energy occurred at the beginning of the four quarter trailing period, and exclusive of the four quarter trailing fund flows from discontinued operations to reflect the Company's ability to repay debt on a pro forma basis.

9. Long-term debt

The following table summarizes Vermilion's outstanding long-term debt:

	As at	
	Sep 30, 2026	Dec 31, 2025
Revolving credit facility	**182,736**	222,724
2030 senior unsecured notes	**478,267**	504,962
2033 senior unsecured notes	**520,465**	515,711
Long-term debt	**1,181,468**	1,243,397

The fair value of the 2030 senior unsecured notes as at September 30, 2026 was $477.9 million (December 31, 2025 - $506.2 million). The fair value of the 2033 senior notes as at September 30, 2026 was $512.1 million (December 31, 2025 - $491.3 million).

The following table reconciles the change in Vermilion's long-term debt, net of costs:

	2026
Balance at January 1	**1,243,397**
Repayments on the revolving credit facility	**(47,970)**
Repayment of 2030 senior unsecured notes	**(43,626)**
Repayment of 2033 senior unsecured notes	**(13,460)**
Amortization of transaction costs	**2,951**
Foreign exchange	**40,176**
Balance at September 30	**1,181,468**

Revolving credit facility

As at September 30, 2026, Vermilion had in place a bank revolving credit facility maturing May 30, 2030 with the following terms:

	As at	
	Sep 30, 2026	Dec 31, 2025
Total facility amount	**1,350,000**	1,350,000
Amount drawn	**(182,736)**	(222,724)
Letters of credit outstanding	**(41,224)**	(49,263)
Unutilized capacity	**1,126,040**	1,078,013

The facility can be extended from time to time at the option of the lenders and upon notice from Vermilion. If no extension is granted by the lenders, the amounts owing pursuant to the facility are due at the maturity date. The facility is secured by various fixed and floating charges against the subsidiaries of Vermilion. The facility bears interest at a rate applicable to demand loans plus applicable margins.

On April 24, 2026, the maturity date of the revolving credit facility was extended to May 30, 2030 (previously May 25, 2029) with no other changes to the existing terms and conditions.

As at September 30, 2026, the revolving credit facility was subject to the following financial covenants:

		As at	
Financial covenant	Limit	Sep 30, 2026	Dec 31, 2025
Consolidated total debt to consolidated EBITDA	Less than 4.0	**1.12**	1.14
Consolidated total senior debt to consolidated EBITDA	Less than 3.5	**0.17**	0.21
Consolidated EBITDA to consolidated interest expense	Greater than 2.5	**10.21**	8.44

The financial covenants include financial measures defined within the revolving credit facility agreement that are not defined under IFRS® Accounting Standards. These financial measures are defined by the revolving credit facility agreement as follows:

- Consolidated total debt: Includes all amounts classified as "Long-term debt" and "Lease obligations" (including the current portion included within "Accounts payable and accrued liabilities" but excluding operating leases as defined under IAS 17) on the consolidated balance sheet.
- Consolidated total senior debt: Consolidated total debt excluding unsecured and subordinated debt.
- Consolidated EBITDA: Consolidated net (loss) earnings before interest, income taxes, depreciation, accretion and certain other non-cash items, adjusted for the impact of the acquisition of a material subsidiary.
- Consolidated total interest expense: Includes all amounts classified as "Interest expense", but excludes interest on operating leases as defined under IAS 17.

As at September 30, 2026 and December 31, 2025, Vermilion was in compliance with the above covenants.

2030 senior unsecured notes

On April 26, 2022, Vermilion closed a private offering of US $400.0 million of senior unsecured notes, priced at 99.241% of par. The notes bear interest at a rate of 6.875% per annum, to be paid semi-annually on May 1 and November 1. The notes mature on May 1, 2030. As direct senior unsecured obligations of Vermilion, the notes rank equally with existing and future senior unsecured indebtedness of the Company.

The senior unsecured notes were recognized at amortized cost and include the transaction costs directly related to the issuance.

On or after May 1, 2025, Vermilion may redeem some or all of the senior unsecured notes at the redemption prices set forth below, together with accrued and unpaid interest.

Year	Redemption price
2025	103.438 %
2026	102.292 %
2027	101.146 %
2028 and thereafter	100.000 %

2033 senior unsecured notes

On February 11, 2025, Vermilion closed a private offering of US $400.0 million of senior unsecured notes at par. The notes bear interest at a rate of 7.250% per annum, to be paid semi-annually on February 15 and August 15. The notes mature on February 15, 2033. As direct senior unsecured obligations of Vermilion, the notes rank equally with existing and future senior unsecured indebtedness of the Company.

The senior unsecured notes were recognized at amortized cost and include the transaction costs directly related to the issuance.

Vermilion may, at its option, redeem the notes prior to maturity as follows:

- Prior to February 15, 2028, Vermilion may redeem up to 40% of the original principal amount of the notes with an amount of cash not greater than the net cash proceeds of certain equity offerings at a redemption price of 107.250% of the principal amount of the notes, together with accrued and unpaid interest.
- Prior to February 15, 2028, Vermilion may also redeem some or all of the notes at a price equal to 100% of the principal amount of the notes, plus a "make-whole premium," together with applicable premium, accrued and unpaid interest.
- On or after February 15, 2028, Vermilion may redeem some or all of the senior unsecured notes at the redemption prices set forth below, together with accrued and unpaid interest.

Year	Redemption price
2028	103.625 %
2029	101.813 %
2030 and thereafter	100.000 %

2025 senior unsecured notes

On March 13, 2017, Vermilion issued US $300.0 million of senior unsecured notes at par. The notes bore interest at a rate of 5.625% per annum paid semi-annually on March 15 and September 15. The notes matured on March 15, 2025 and the balance was repaid in full.

Term loan

Concurrent with the completion of the Westbrick acquisition on February 26, 2025, Vermilion's credit facility agreement was amended to incorporate a new $450.0 million term loan (the "Term Loan") which was immediately drawn. The Term Loan balance was repaid in full in 2025.

10. Shareholders' capital

The following table reconciles the change in Vermilion's shareholders' capital:

	2026	
Shareholders' Capital	Shares ('000s)	Amount
Balance at January 1	**152,950**	**3,871,914**
Vesting of equity based awards	**598**	**9,346**
Share-settled dividends on vested equity based awards	**121**	**2,317**
Repurchase of shares [(1)]	**(1,847)**	**(47,242)**
Balance at September 30	**151,822**	**3,836,335**

(1) Share capital is reduced on the repurchase of shares at the weighted-average carrying value.

Dividends are approved by the Board of Directors and are paid quarterly. Dividends declared and paid to shareholders for the nine months ended September 30, 2026 were $61.8 million or $0.405 per common share (nine months ended September 30, 2025 - declared $60.0 million or $0.390 per common share).

On July 8, 2026, the Toronto Stock Exchange approved the Company's notice of intention to renew its normal course issuer bid ("the NCIB"). The NCIB renewal allows Vermilion to purchase up to 15,157,179 common shares (representing approximately 10% of outstanding common shares) beginning July 12, 2026 and ending July 11, 2027. Common shares purchased under the NCIB will be cancelled.

In the three months ended September 30, 2026, Vermilion purchased 1.2 million common shares under the NCIB for total consideration of $19.7 million. In the nine months ended September 30, 2026 Vermilion purchased 1.8 million shares under the NCIB for total consideration of $29.8 million. The common shares purchased under the NCIB were cancelled.

Subsequent to September 30, 2026, Vermilion purchased and cancelled 0.5 million shares under the NCIB for total consideration of $8.2 million.

11. Financial instruments

The following table summarizes the increase (positive values) or decrease (negative values) to net (loss) earnings before tax due to a change in the value of Vermilion's financial instruments as a result of a change in the relevant market risk variable. This analysis does not attempt to reflect any interdependencies between the relevant risk variables.

	Sep 30, 2026
Currency risk - Euro to Canadian dollar	
$0.01 increase in strength of the Canadian dollar against the Euro	**5,927**
$0.01 decrease in strength of the Canadian dollar against the Euro	**(5,927)**
Currency risk - US dollar to Canadian dollar	
$0.01 increase in strength of the Canadian dollar against the US $	**6,625**
$0.01 decrease in strength of the Canadian dollar against the US $	**(6,625)**
Commodity price risk - North American natural gas	
$0.25/GJ increase in North American natural gas price used to determine the fair value of derivatives	**(16,383)**
$0.25/GJ decrease in North American natural gas price used to determine the fair value of derivatives	**17,193**
Commodity price risk - European natural gas	
€1.0/GJ increase in European natural gas price used to determine the fair value of derivatives	**(51,685)**
€1.0/GJ decrease in European natural gas price used to determine the fair value of derivatives	**51,593**
Commodity price risk - Crude oil	
US $5.00/bbl increase in crude oil price used to determine the fair value of derivatives	**(40,566)**
US $5.00/bbl decrease in crude oil price used to determine the fair value of derivatives	**27,517**
Share price risk - Equity swaps	
$1.00 increase from initial share price of the equity swap	**3,150**
$1.00 decrease from initial share price of the equity swap	**(3,150)**

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