



NEWS RELEASE

CHEMTRADE LOGISTICS INCOME FUND ANNOUNCES RESULTS FOR THE THIRD QUARTER OF 2023

RAISING 2023 GUIDANCE FOR RECORD ANNUAL ADJUSTED EBITDA OF AT LEAST \$490 MILLION

TORONTO, Ontario, November 14, 2023 – Chemtrade Logistics Income Fund (TSX: CHE.UN) (“Chemtrade” or the “Fund”) today announced results for the three months ended September 30, 2023. The financial statements and MD&A will be available on Chemtrade’s website at www.chemtradelogistics.com and on SEDAR+ at www.sedarplus.ca.

Third Quarter 2023 Highlights

- Adjusted EBITDA⁽¹⁾ of \$142.1 million, an increase of \$5.1 million or 3.7% year-over-year, with improved margins more than offsetting lower revenue.
- Distributable cash after maintenance capital expenditures⁽¹⁾ of \$86.5 million, an increase of \$3.9 million or 4.8% year-over-year, with a distribution Payout ratio⁽¹⁾ of 22% for the twelve months ended September 30, 2023.
- Cash flows from operating activities of \$129.2 million, a decrease of \$14.3 million or 10.0% year-over-year, mainly due to working capital not declining as much in the third quarter of 2023 as in the comparable period in 2022 as well as higher income taxes paid.
- Revenue of \$483.5 million, a decrease of \$36.4 million or 7.0% year-over-year, driven by lower prices for sulphur and caustic soda, which was partially offset by higher prices for water products, sodium chlorate, Regen acid and chlorine.
- Net earnings of \$70.8 million, a decrease of \$4.6 million or 6.0% year-over-year, mainly due to non-cash expenses resulting from an increase in the market value of convertible debentures.
- Continued balance sheet improvement, as demonstrated by a Net debt to Adjusted EBITDA⁽¹⁾ ratio of 1.7x at September 30, 2023, down from 2.2x at the end of 2022.
- Raising our 2023 Adjusted EBITDA guidance to exceed \$490.0 million, which will be the highest amount achieved in our history, handily beating last year’s record level by at least 13%.

Scott Rook, President and CEO of Chemtrade, commented on the third quarter 2023 results, “The strong performance that we delivered in the third quarter, both financially and operationally, further builds on the solid track-record that we have established in recent years and positions us for a record year in 2023. While these results reflect strength across a number of products in our diversified portfolio, they are really a testament to the ongoing focus and execution of the entire Chemtrade team. Despite a decline in revenue attributable to lower sulphur and caustic soda prices, the commercial initiatives along with a focus on operating performance were pivotal in driving yet another quarter of growth in Adjusted EBITDA and distributable cash.”

“Our water solutions business, in particular, has been a standout performer, delivering substantial margin improvement in the third quarter,” Mr. Rook continued. “This is reflective of the successful profitability initiatives within that business line, alongside the capacity expansions put in place in 2022, which are all running well. We also saw continued strength in the third quarter in many of our other product lines. This includes favourable chlorine and hydrochloric acid pricing as well as higher Regen acid volumes and pricing. Further, industry consultants believe that Northeast Asia caustic soda prices have now reached a trough and are positioned for an upward trajectory.”

(1) Adjusted EBITDA is a Total of Segments measure, Distributable cash after maintenance capital expenditures and Growth capital expenditures are non-IFRS measures and Distributable cash after maintenance capital expenditures per Unit, Payout ratio and Net debt to Adjusted EBITDA are Non-IFRS ratios. Please see Non-IFRS and Other Financial Measures for more information.

“At this point in the year, we have better visibility into the potential fourth quarter performance. This, coupled with Chemtrade’s record performance in the first nine months of 2023, gives us the confidence to raise our guidance for full year 2023 Adjusted EBITDA to exceed \$490.0 million. We also believe Chemtrade is well positioned in the event economic conditions weaken given the defensive attributes of many of our key products that have historically seen limited impacts in past recessions. Our significantly strengthened balance sheet and compelling organic growth projects give us further comfort. Having said that, it is important not to interpret our record 2023 results as indicative of a normalized ongoing earnings run-rate, especially considering the economic outlook and observed changes in end-market fundamentals”, concluded Mr. Rook.

Consolidated Financial Summary of Q3 2023

The weaker Canadian dollar during 2023 compared with 2022 had a positive impact on consolidated revenue, gross profit and Adjusted EBITDA of \$9.7 million, \$4.4 million and \$3.8 million, respectively, in the third quarter of 2023.

Revenue for the third quarter of 2023 was \$483.5 million, compared to \$519.9 million in the third quarter of 2022. Excluding the impact of foreign exchange, revenue for the third quarter of 2023 was lower by \$46.1 million. The lower revenue was primarily due to: (i) lower selling prices for merchant acid and sulphur products due to lower sulphur costs and lower sales volumes of merchant acid in the Sulphur and Water Chemicals (“SWC”) segment; and (ii) significantly lower selling prices for caustic soda and lower sales volumes of sodium chlorate in the Electrochemicals (“EC”) segment. Partial offsets to these factors included higher selling prices for chlorine, hydrochloric acid and sodium chlorate in the EC segment as well as higher selling prices for water solutions products and higher volumes of Regen acid in the SWC segment.

Adjusted EBITDA for the third quarter of 2023 was \$142.1 million. Excluding the impact of foreign exchange, Adjusted EBITDA was \$1.2 million higher than the third quarter of 2022. The increase in Adjusted EBITDA for the third quarter of 2023 was primarily due to: (i) a significant improvement in gross profit for water solutions products and higher volumes of Regen acid in the SWC segment; and (ii) increased gross profit for sodium chlorate, chlorine and hydrochloric acid in the EC segment. This increase was partially offset by higher corporate costs.

Distributable cash after maintenance capital expenditures for the third quarter of 2023 was \$86.5 million or \$0.74 per unit, compared to \$82.5 million or \$0.75 per unit in the third quarter of 2022. This increase primarily reflects the same factors that impacted Adjusted EBITDA, as noted above. Chemtrade’s distribution Payout ratio for the three months and twelve months ended September 30, 2023 was 20% and 22%, respectively.

Chemtrade maintained a strong balance sheet through the third quarter of 2023. As of September 30, 2023, Chemtrade’s Net Debt to Adjusted EBITDA ratio was 1.7x, compared to 2.2x at the end of 2022. This balance sheet improvement reflects a combination of cash generation, Adjusted EBITDA growth and a reduction in debt. At the end of the third quarter of 2023, Chemtrade had US\$404.1 million undrawn on its revolving credit facilities, in addition to \$35.8 million of cash on hand.

Segmented Financial Summary of Q3 2023

The SWC segment reported revenue of \$290.5 million for the third quarter of 2023, compared to \$311.5 million for the third quarter of 2022. Adjusted EBITDA in the SWC segment was \$83.7 million for the third quarter of 2023, compared to \$69.5 million for the third quarter of 2022. The weaker Canadian dollar had a positive impact of \$5.9 million on SWC revenue and \$1.2 million on SWC Adjusted EBITDA. Excluding the impacts of foreign exchange, SWC revenue decreased by 9% and SWC Adjusted EBITDA increased by 19% year-over-year.

The decrease in SWC revenue was primarily due to: (i) lower selling prices for merchant acid and sulphur products due to lower sulphur costs; and (ii) lower sales volumes of merchant acid and ultrapure sulphuric acid. Partial offsets to the lower SWC revenue included higher selling prices for water solutions products

and higher volumes and selling prices for Regen acid. The increase in SWC Adjusted EBITDA was due to: (i) a significant improvement in margins for water solutions products due to meaningfully higher selling prices; and (ii) higher gross profit for Regen acid due to higher volumes and selling prices. A partial offset to the higher SWC Adjusted EBITDA was lower volumes of merchant acid, while lower selling prices for merchant acid and sulphur products were offset by lower costs for sulphur and risk-shared supply contracts.

The EC segment reported revenue of \$193.0 million for the third quarter of 2023, compared to \$208.4 million for the third quarter of 2022. Adjusted EBITDA in the EC segment was \$84.2 million for the third quarter of 2023, compared to \$88.2 million for the third quarter of 2022. The weaker Canadian dollar had a positive impact of \$3.8 million on EC revenue and \$2.9 million on EC Adjusted EBITDA. Excluding the impacts of foreign exchange, EC revenue decreased by 9% and EC Adjusted EBITDA decreased by 8% year-over-year.

The decreases in EC revenue and Adjusted EBITDA were primarily due to significantly lower selling prices of caustic soda and lower sales volumes of sodium chlorate. These factors were partially offset by higher selling prices for sodium chlorate, chlorine and hydrochloric acid.

Corporate costs for the third quarter of 2023 were \$25.8 million, compared to \$20.6 million in the third quarter of 2022. The increase was primarily due to: (i) provisions recorded for non-income tax related audits during the third quarter of 2023; (ii) \$1.1 million of higher short-term incentive compensation costs compared to the prior year period; and (iii) higher discretionary expenses year-over-year. A partial offset to this increase was \$1.3 million of lower realized foreign exchange losses compared to the prior year period.

2023 Guidance

Following our strong results for the first nine months, we are now expecting Adjusted EBITDA for 2023 to exceed \$490.0 million, which will be the highest annual amount ever achieved in the Fund's history. Below is the formal revised guidance for 2023.

(\$ million)	Revised 2023 Guidance	Prior 2023 Guidance	2022 Actual	Nine months ended Actual	
				September 30, 2023	September 30, 2022
Adjusted EBITDA ⁽¹⁾	Above \$490.0	Above \$475.0	\$430.9	\$418.0	\$326.6
Maintenance capital expenditures ⁽¹⁾	\$80.0 - \$105.0	\$80.0 - \$105.0	\$99.8	\$60.6	\$67.1
Growth capital expenditures ⁽¹⁾	\$50.0 - \$75.0	\$70.0 - \$100.0	\$21.6	\$38.4	\$14.4
Lease payments	\$50.0 - \$60.0	\$50.0 - \$60.0	\$52.4	\$43.0	\$38.8
Cash interest ⁽¹⁾	\$42.0 - \$48.0	\$45.0 - \$50.0	\$51.7	\$32.8	\$39.5
Cash tax ⁽¹⁾	\$15.0 - \$25.0	\$10.0 - \$20.0	\$12.0	\$12.0	\$9.5

(1) Adjusted EBITDA is a Total of Segments measure. Maintenance capital expenditures, Cash interest and Cash tax are supplementary financial measures. Growth capital expenditures is a Non-IFRS financial measure. See Non-IFRS And Other Financial Measures.

Chemtrade's guidance is based on numerous assumptions. Certain key assumptions that underpin the 2023 guidance are as follows:

- There will be no significant lockdowns or stay-at-home orders issued in North America due to a resurgence of COVID-19 during 2023.
- None of the principal manufacturing facilities (as set out in Chemtrade's AIF) incurs significant unplanned downtime.
- No labour disruptions occur at any of Chemtrade's principal manufacturing facilities (as set out in Chemtrade's AIF).

Key Assumptions	Revised 2023 Assumptions	Prior 2023 Assumptions	2022 Actual
Approximate North American MECU sales volumes	180,000	180,000	184,000
2023 realized MECU Netback being higher or (lower) than 2022 (per MECU)	\$90	(\$60)	N/A
Average CMA ⁽¹⁾ NE Asia caustic spot price index per tonne ⁽²⁾	US\$455 ⁽³⁾	US\$445 ⁽³⁾	US\$650
Approximate North American production volumes of sodium chlorate (MTs)	285,000	285,000	343,000
USD to CAD average foreign exchange rate	1.334	1.340	1.302
LTIP ⁽⁴⁾ costs (in millions)	\$10.0 - \$20.0	\$10.0 - \$20.0	\$21.0

(1) Chemical Market Analytics (CMA) by OPIS, A Dow Jones Company, formerly IHS Markit Base Chemical.

(2) The average CMA NE Asia caustic spot price for 2023 and 2022 is the average spot price for the four quarters ending with the third quarter of that year as the majority of our pricing is based on a one quarter lag.

(3) Implies that the index pricing for Q4 2023 will be approximately US\$365 per tonne compared with approximately US\$580 during Q4 2022.

(4) Long Term Incentive Plan.

Recent Development - Sale of Phosphorus Pentasulphide (P₂S₅) business

On November 8, 2023, we completed the sale of our phosphorus pentasulphide (P₂S₅) business for gross proceeds of approximately US\$43.0 million, which consisted of cash of approximately US\$39.4 million and the assumption of Indebtedness (as defined in the sales agreement) of approximately US\$3.6 million. An estimated pre-tax gain on the sale of this business of approximately \$14.0 million will be recorded during the fourth quarter of 2023. The net proceeds will be used to reduce borrowings from the Credit Facilities.

Update on Organic Growth Projects

Chemtrade's objective is to deliver sustained earnings growth and generate value for investors over the long-term. To accomplish this, the Fund has identified a number of organic growth projects, including two large ultrapure sulphuric acid growth expansion projects in Cairo, OH and Casa Grande, AZ.

The project in Cairo continues to progress on schedule and on budget, with construction completion expected in the first quarter of 2024 and commissioning and start-up expected later in 2024 with commercial ramp-up expected in 2025.

With respect to the previously announced joint venture to build an ultra-pure sulphuric acid plant in Casa Grande, Arizona, the joint venture analyzed the results of the FEED study and has looked for cost savings where possible. The aggregate capital costs for this project are estimated to range between US\$300.0 million and US\$380.0 million, which represents an increase of approximately 50% over the original estimate. Roughly half of the increased cost is due to labour costs to build the plant, with the balance due to equipment costs and some changes in scope to ensure compliance with regulations. Together with its joint venture partner, Chemtrade has made the decision to put the project on hold until it can be assured the project generates an acceptable level of return. Discussions with customers are on-going.

Additional details on Chemtrade's growth projects can be found in the disclosure documents filed by Chemtrade with the securities regulatory authorities, available on www.sedarplus.ca and on Chemtrade's investor page at www.chemtradelogistics.com/investors.

Distributions & Distribution Reinvestment Plan (“DRIP”)

Distributions declared in the third quarter of 2023 totaled \$0.15 per unit, comprised of monthly distributions of \$0.05 per unit. Chemtrade offers a DRIP that provides a way for unitholders to accumulate additional Chemtrade units without fees and currently includes a 3% bonus distribution.

About Chemtrade

Chemtrade operates a diversified business providing industrial chemicals and services to customers in North America and around the world. Chemtrade is one of North America’s largest suppliers of sulphuric acid, spent acid processing services, inorganic coagulants for water treatment, sodium chlorate, sodium nitrite and sodium hydrosulphite. Chemtrade is also the largest producer of high purity sulphuric acid for the semiconductor industry in North America. Chemtrade is a leading regional supplier of sulphur, chlor-alkali products, liquid sulphur dioxide, and zinc oxide. Additionally, Chemtrade provides industrial services such as processing by-products and waste streams.

NON-IFRS AND OTHER FINANCIAL MEASURES

Non-IFRS financial measures and non-IFRS ratios

Non-IFRS financial measures are financial measures disclosed by an entity that (a) depict historical or expected future financial performance, financial position or cash flow of an entity, (b) with respect to their composition, exclude amounts that are included in, or include amounts that are excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity, (c) are not disclosed in the financial statements of the entity and (d) are not a ratio, fraction, percentage or similar representation. Non-IFRS ratios are financial measures disclosed by an entity that are in the form of a ratio, fraction, percentage, or similar representation that has a non-IFRS financial measure as one or more of its components, and that are not disclosed in the financial statements of the entity.

These non-IFRS financial measures and non-IFRS ratios are not standardized financial measures under IFRS and, therefore, are unlikely to be comparable to similar financial measures presented by other entities. Management believes these non-IFRS financial measures and non-IFRS ratios provide transparent and useful supplemental information to help investors evaluate Chemtrade’s financial performance, financial condition and liquidity using the same measures as management. These non-IFRS financial measures and non-IFRS ratios should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with IFRS.

The following section outlines Chemtrade’s non-IFRS financial measures and non-IFRS ratios, their compositions, and why management uses each measure. It includes reconciliations to the most directly comparable IFRS measures. Except as otherwise described herein, Chemtrade’s non-IFRS financial measures and non-IFRS ratios are calculated on a consistent basis from period to period and are adjusted for specific items in each period, as applicable.

Distributable cash after maintenance capital expenditures

Most directly comparable IFRS financial measure: Cash flows from operating activities

Definition: Distributable cash after maintenance capital expenditures is calculated as cash flow from operating activities less lease payments net of sub-lease receipts, maintenance capital expenditures and adjusting for cash interest and current taxes, and before decreases or increases in working capital.

Why we use the measure and why it is useful to investors: It provides useful information related to Chemtrade’s cash flows including the amount of cash available for distribution to Unitholders, repayment of debt and other investing activities.

Distributable cash after maintenance capital expenditures per unit

Definition: Distributable cash after maintenance capital expenditures per unit is calculated as distributable cash after maintenance capital expenditures divided by the weighted average number of units outstanding.

Why we use the measure and why it is useful to investors: It provides useful information related to Chemtrade's cash flows including the amount of cash available for distribution to Unitholders, repayment of debt and other investing activities.

Payout ratio

Definition: Payout ratio is calculated as Distributions declared per unit divided by Distributable cash after maintenance capital expenditures per unit.

Why we use the measure and why it is useful to investors: It provides useful information related to Chemtrade's cash flows including Chemtrade's ability to pay distributions to Unitholders.

(\$'000, except per unit metrics and ratios)	<u>Three months ended</u>		<u>Twelve months ended</u>
	September 30, 2023	September 30, 2022	September 30, 2023
Cash flows from operating activities	\$129,166	\$143,472	\$407,466
Add (Less):			
Lease payments net of sub-lease receipts	(14,435)	(13,358)	(56,585)
(Decrease) increase in working capital	(7,317)	(22,572)	17,137
Changes in other items ⁽¹⁾	4,816	1,657	38,201
Maintenance capital expenditures ⁽²⁾	(25,765)	(26,670)	(93,322)
Distributable cash after maintenance capital expenditures	\$86,465	\$82,529	\$312,897
Divided by:			
Weighted average number of units outstanding	116,378,970	109,315,091	115,841,117
Distributable cash after maintenance capital expenditures per unit	\$0.74	\$0.25	\$2.70
Distributions declared per unit ⁽³⁾	\$0.15	\$0.15	\$0.60
Payout ratio (%)	20%	20%	22%

(1) Changes in other items relate to Cash interest and current taxes.

(2) Maintenance capital expenditures are a Supplementary financial measure. See "Supplementary financial measures" for more information.

(3) Based on actual number of units outstanding on record date.

Net debt

Most directly comparable IFRS financial measure: Total long-term debt, Debentures, lease liabilities, and long-term lease liabilities, less cash and cash equivalents.

Definition: Net debt is calculated as the total of long-term debt, the principal value of Debentures, lease liabilities and long-term lease liabilities, less cash and cash equivalents.

Why we use the measure and why is it useful to investors: It provides useful information related to Chemtrade's aggregate debt balances.

(\$'000)	Three months ended	
	September 30, 2023	December 31, 2022
Long-term debt ⁽¹⁾	\$314,986	\$370,024
Add (Less):		
Debtures ⁽¹⁾	425,720	517,365
Long-term lease liabilities	130,687	94,071
Lease liabilities ⁽²⁾	51,310	45,571
Cash and cash equivalents	(35,795)	(72,569)
Net debt	\$886,908	\$954,462

(1) Principal amount outstanding.

(2) Presented as current liabilities in the condensed consolidated interim statements of financial position.

Growth capital expenditures

Most directly comparable IFRS financial measure: Capital expenditures

Definition: Growth capital expenditures are calculated as capital expenditures less Maintenance capital expenditures, plus investments in joint ventures.

Why we use the measure and why it is useful to investors: It provides useful information related to the capital spending and investments intended to grow earnings.

(\$'000)	Nine months ended		Year ended
	September 30, 2023	September 30, 2022	December 31, 2022
Capital expenditures	\$98,997	\$75,559	\$115,440
Add (Less):			
Maintenance capital expenditures	(60,614)	(67,058)	(99,766)
Non-maintenance capital expenditures ⁽¹⁾	38,383	8,501	15,674
Investment in Joint Venture ⁽²⁾	-	5,931	5,931
Growth capital expenditures	\$38,383	\$14,432	\$21,605

(1) Non-maintenance capital expenditures is a Supplementary financial measure.

(2) Joint venture with KPCT Advanced Chemicals LLC ("KPCT") to build an ultrapure sulphuric acid facility in Arizona.

Capital management measures

Capital management measures are financial measures disclosed by an entity that (a) are intended to enable an individual to evaluate an entity's objectives, policies and processes for managing the entity's capital, (b) are not a component of a line item disclosed in the primary financial statements of the entity, (c) are disclosed in the notes of the financial statements of the entity, and (d) are not disclosed in the primary financial statements of the entity.

Net debt to Adjusted EBITDA

Definition: Net debt to Adjusted EBITDA is calculated as Net debt divided by LTM Adjusted EBITDA. LTM

Adjusted EBITDA represents the last twelve months' Adjusted EBITDA and is calculated from Adjusted EBITDA reported in the MD&A.

Why we use the measure and why it is useful to investors: It provides useful information related to Chemtrade's debt leverage and Chemtrade's ability to service debt. Chemtrade monitors Net debt to Adjusted EBITDA as a part of liquidity management to sustain future investment in the growth of the business and make decisions about capital.

Total of segments measures

Total of segments measures are financial measures disclosed by an entity that (a) are a subtotal of two or more reportable segments, (b) are not a component of a line item disclosed in the primary financial statements of the entity, (c) are disclosed in the notes of the financial statements of the entity, and (d) are not disclosed in the primary financial statements of the entity.

The following section provides an explanation of the composition of the Total of segments measures.

Adjusted EBITDA

Most directly comparable IFRS financial measure: Net earnings (loss)

<i>(\$ millions)</i>	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Net earnings (loss)	\$70.8	\$87.3	\$79.5	(\$11.7)	\$75.3	\$34.8	\$10.7	(\$180.5)
Add (less):								
Depreciation and amortization	\$54.7	\$53.2	\$52.1	\$54.9	\$56.6	\$53.2	\$52.2	\$60.1
Net finance (income) costs	(\$2.4)	\$5.5	(\$12.7)	\$37.2	(\$25.9)	\$9.8	\$28.8	\$56.9
Income tax expense (recovery)	\$16.7	\$1.4	\$13.9	\$32.7	\$12.9	(\$3.3)	\$17.8	\$21.9
Impairment of intangible assets	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$81.7
Impairment of PPE	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$48.3
Change in environmental liability	\$0.0	\$0.0	\$0.9	\$0.0	\$0.0	(\$0.1)	\$0.1	\$0.6
Net loss (gain) on disposal and write-down of PPE	\$0.6	\$1.2	\$1.8	\$2.2	\$0.9	(\$18.3)	(\$0.1)	(\$0.8)
(Gain) loss on disposal of assets held for sale	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.2)	\$0.7	\$7.1
Remeasurement of decommissioning liability	(3.5)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Unrealized foreign exchange (gain) loss	\$5.3	(\$4.3)	(\$3.8)	(\$10.9)	\$17.2	\$5.7	(\$2.4)	(\$2.7)
Adjusted EBITDA	\$142.1	\$144.2	\$131.7	\$104.3	\$137.1	\$81.7	\$107.8	\$92.5

Supplementary financial measures

Supplementary financial measures are financial measures disclosed by an entity that (a) are, or are intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position, or cash flow of an entity, (b) are not disclosed in the financial statements of the entity, (c) are not non-IFRS financial measures, and (d) are not non-IFRS ratios.

The following section provides an explanation of the composition of those Supplementary financial measures.

Maintenance capital expenditures

Represents capital expenditures that are required to sustain operations at existing levels and include major repairs and maintenance and plant turnarounds.

Non-maintenance capital expenditures

Represents capital expenditures that are (a) pre-identified or pre-funded, usually as part of a significant acquisition and related financing; (b) considered to expand the capacity of Chemtrade's operations; (c) significant environmental capital expenditures that are considered to be non-recurring; or (d) capital expenditures to be reimbursed by a third party.

Cash interest

Represents the interest expense on long-term debt, interest on Debentures, and pension plan interest expense and interest income.

Cash tax

Represents current income tax expense.

Caution Regarding Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking statements within the meaning of certain securities laws, including the *Securities Act* (Ontario). Forward-looking statements can be generally identified by the use of words such as "anticipate", "continue", "estimate", "expect", "expected", "intend", "may", "will", "project", "plan", "should", "believe" and similar expressions. Specifically, forward-looking statements in this news release include statements respecting certain future expectations about: our expectation that 2023 Adjusted EBITDA will exceed \$490 million and be the highest annual amount ever achieved; our ability to complete additional water solutions expansion projects in 2024; whether caustic soda prices are positioned for an upward trajectory; our belief that Chemtrade is well-positioned to navigate weakened economic conditions; our belief that normalized run-rate earnings will not be equal to 2023 record results; the expected stated 2023 range of maintenance capital expenditures and growth capital expenditures, lease payments, cash interest, and cash tax; the quantum of the gain on sale of the P2S5 business and the intended use of proceeds of such sale ; our ability to achieve our long-term objective of sustained earnings growth and investor value generation via growth projects including two large ultrapure sulphuric acid projects; with respect to the Cairo ultrapure acid expansion project, our expected timing of construction completion, commissioning, start-up and commercial ramp-up; with respect to the Casa Grande project, the stated range of estimated aggregate capital costs and their sources and our ability to obtain an acceptable level of return.

Forward-looking statements in this news release describe the expectations of the Fund and its subsidiaries as of the date hereof. These statements are based on assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements for a variety of reasons, including without limitation the risks and uncertainties detailed under the "RISK FACTORS" section of the Fund's latest Annual Information Form and the "RISKS AND UNCERTAINTIES" section of the Fund's most recent Management's Discussion & Analysis.

Although the Fund believes the expectations reflected in these forward-looking statements and the assumptions upon which they are based are reasonable, no assurance can be given that actual results will be consistent with such forward-looking statements, and they should not be unduly relied upon. With respect to the forward-looking statements contained in this news release, the Fund has made assumptions regarding: there being no significant North American lockdowns or stay-at-home orders issued due to Covid-19; there being no significant unplanned downtime nor labour disruptions affecting Chemtrade's principal manufacturing facilities; the stated North American MECU sales volumes; the 2023 realized MECU netback being higher or (lower) than 2022 per MECU; the stated 2023 average CMA NE Asia caustic spot price index; the stated sodium chlorate production volume; and the stated U.S. dollar average foreign exchange rate and the stated range of LTIP costs.

Except as required by law, the Fund does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or for any other reason. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement.

Further information can be found in the disclosure documents filed by Chemtrade Logistics Income Fund with the securities regulatory authorities, available at www.sedarplus.ca.

A conference call to review the third quarter 2023 results will be webcast live on Wednesday, November 15, 2023 at 10:00 a.m. ET. To access the webcast [click here](#).

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