



**CHEMTRADE**



**RESPONSIBLE CARE®**  
OUR COMMITMENT TO  
SUSTAINABILITY

**2024** Investor Presentation  
May 2024

# CAUTION REGARDING FORWARD- LOOKING STATEMENTS

Certain statements contained in this presentation 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. Forward-looking statements in this presentation describe the expectations of Chemtrade Logistics Income Fund (“Chemtrade”) and its subsidiaries as of the date hereof. These statements 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 Chemtrade’s latest Annual Information Form and the “RISKS AND UNCERTAINTIES” section of Chemtrade’s most recent Management’s Discussion & Analysis. Although Chemtrade 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. Except as required by law, Chemtrade 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 with the securities regulatory authorities, available on [www.sedarplus.com](http://www.sedarplus.com).

One of the measures referred to in this presentation is Adjusted EBITDA, which is EBITDA modified to exclude only non-cash items such as unrealized foreign exchange gains and losses. Non-IFRS and other financial measure are fully defined in our MD&A.

<b>Market Leadership</b>	<b>Diversified</b> exposure to industrial and consumer end-markets, with extensive product portfolio. <b>Significant regional market share</b> across extensive product portfolio and several multi-year tailwinds.
<b>Strong Execution</b>	<b>Commercial Excellence and Profitability initiatives</b> contributing to improved margins. <b>Operational Excellence and Reliability initiatives</b> driving improved plant performance.
<b>Growth Opportunities</b>	<b>Compelling growth opportunities across the business</b> (Ultrapure acid; Water Chemicals; Green Hydrogen; other opportunities for value creation).
<b>Strengthened Balance Sheet</b>	<b>Strong balance sheet</b> (1.9x Net debt to LTM Adjusted EBITDA <sup>(1)</sup> ) offers financial flexibility. <b>Prudent capital allocation and generating unitholder value</b> a core focus.
<b>Defensive Attributes</b>	<b>Many key products are expected to see limited impact in a typical economic recession.</b> <b>Natural inflation hedge</b> through exposure to commodity pricing.
<b>Attractive Distribution</b>	<b>Long track-record of paying distributions</b> ; increased 10% in January 2024 to \$0.66/unit (annualized) <b>7.5% distribution yield <sup>(1)</sup> and implied 2024 Payout ratio of ~45% <sup>(1)</sup></b> , based on mid-point of guidance.
<b>ESG Leadership</b>	<b>Chemtrade aiming to be an industry-leader on ESG</b> , based on 2025 ESG targets.

(1) As of April 30, 2024.

(2) Payout ratio is non-IFRS ratio. Net debt to LTM Adjusted EBITDA is a Capital management measure that includes Net debt, which is a non-IFRS financial measure, and is shown as of the end of Q1 2024. See Appendix for more information.

## Sulphur and Water Chemicals (SWC)



- Manufactures and markets sulphur-based products and services, water treatment chemicals, and specialty chemicals.
- One of North America's largest suppliers of industrial sulphuric acid, including Regen acid for the petroleum industry and Ultrapure acid for the semiconductor manufacturing sector.
- One of North America's largest suppliers of inorganic coagulants for water treatment, serving a diverse customer base including industrial markets and municipalities.

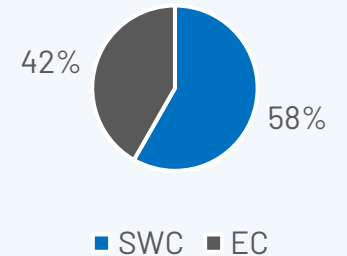


## Electrochemicals (EC)

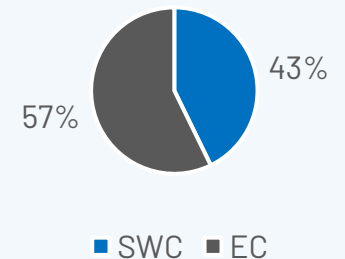


- Manufactures and markets sodium chlorate and chlor-alkali products.
- A leading supplier of sodium chlorate in Canada, primarily for the pulp and paper industry.
- A leading regional supplier of chlor-alkali products for diverse industrial end-markets.
- Operates Brazilian electrochemicals plant, supported by a long-term contract with Suzano.

### LTM Revenue <sup>(1)</sup>



### LTM Adjusted EBITDA <sup>(1)(2)</sup>



(1) LTM represents the last twelve months, as of Q1 2024.

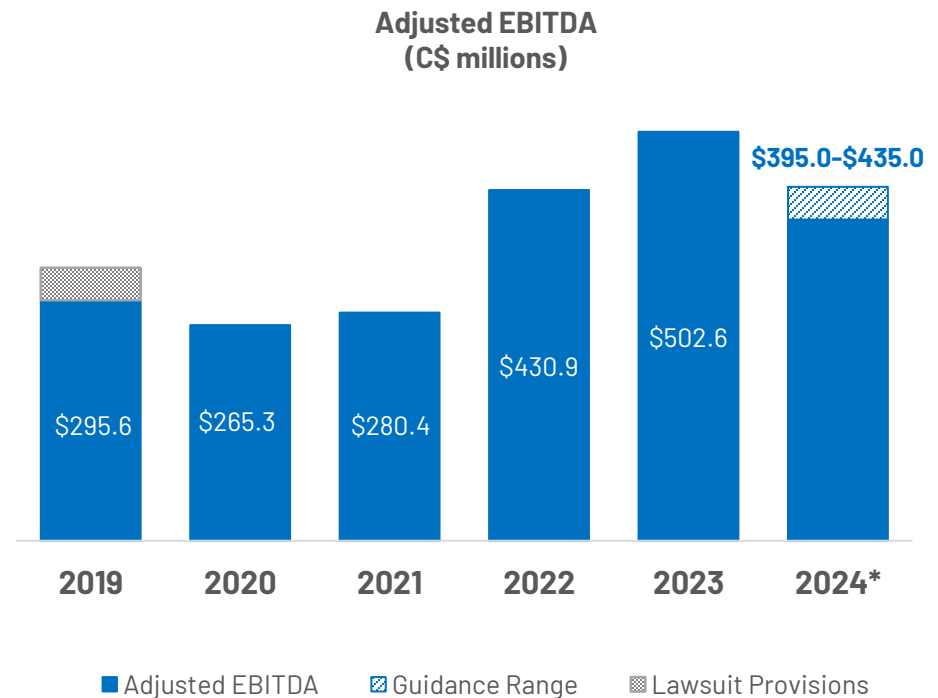
(2) Excluding corporate costs.

## Achieved Record Adjusted EBITDA in both 2022 and 2023

- Strong performance across the organization with higher selling prices and Commercial Excellence and Profitability initiatives driving improved margins; focus on Productivity & Reliability keeping plants operational and optimizing production; and diversity of product portfolio mitigating pockets of weakness.

## 2024 Guidance

- Reflecting a stronger than anticipated start to the year and the outlook for the balance of 2024, Chemtrade now expects 2024 Adjusted EBITDA to be at the higher end of its previously communicated guidance range of \$395.0 million to \$435.0 million.
- Achieving the higher end of the 2024 Adjusted EBITDA guidance range would make 2024 one of Chemtrade's three highest ever years for Adjusted EBITDA.
- Anticipate that H2 2024 will be stronger than H1 2024.
- Chemtrade considers the mid-point of 2024's anticipated Adjusted EBITDA of \$415.0 million to represent a sustainable level of mid-cycle earnings with the current business portfolio.



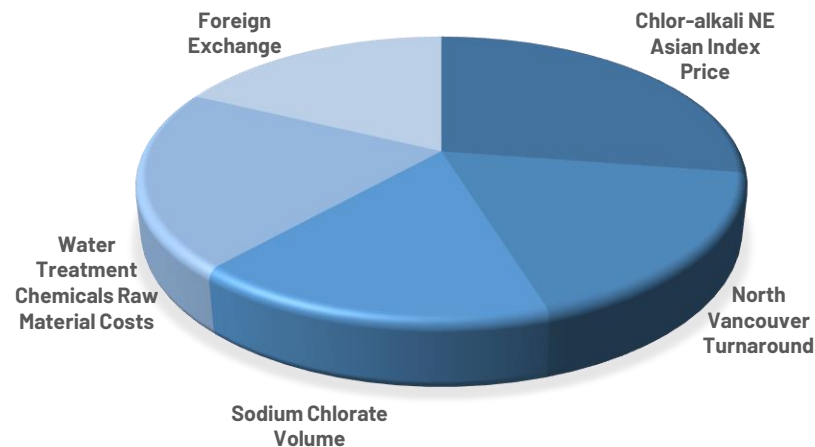
\* 2024 Adjusted EBITDA Guidance. Please see Appendix for additional information.

**While Adjusted EBITDA in 2024 is expected to be below 2023, the mid-point of 2024’s Adjusted EBITDA guidance of \$415.0 million is more representative of a sustainable level of mid-cycle earnings for the current business portfolio.**

Below are the key factors that are expected to result in lower Adjusted EBITDA in 2024 relative to 2023:

- Lower average selling prices for caustic due to lower NE Asia index prices.
- Turnaround at North Vancouver chlor-alkali plant.
- Lower sales volumes of sodium chlorate.
- Higher cost of raw materials for water treatment chemicals.
- Stronger Canadian dollar relative to the U.S. dollar.

### Midpoint of 2024 Guidance compared to 2023





### Capital Priorities

#### Strong Balance Sheet

- Financial Leverage Target: Net debt to LTM Adjusted EBITDA<sup>(1)</sup> < 3.0x.
- Net debt to LTM Adjusted EBITDA<sup>(1)</sup> of 1.9x at the end of Q1 2024, down from 2.2x at the end of Q1 2023.

#### Return Capital to Unitholders

- Monthly Distribution raised by 10% in January 2024 to \$0.055 per unit
- Payout ratio of 28%<sup>(1)</sup> for the last twelve months.
- Distribution yield of ~7.5%, as of April 30, 2024.
- Board of Trustees approved Normal Course Issuer Bid, enabling Chemtrade to repurchase a portion its units with available funds

#### Strategic Investments

- Investment in Organic Growth Projects.
- Looking to supplement growth via M&A, targeting annual EBITDA in the \$10-\$50 million range.
- Productivity & Reliability improvements and Commercial Excellence initiatives.

### Capital Structure

#### Revolving Credit Facilities

- US\$650 million revolving credit facilities (December 2026 maturity).
- US\$397.8 million undrawn, as of March 31, 2024.

#### Convertible Debentures

- CAD\$425.5 million principal outstanding, with next upcoming maturity in September 2025.

#### Equity (CHE.UN)

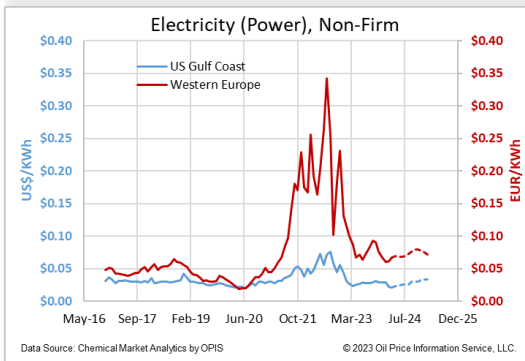
- 117.2 million units outstanding, as of March 31, 2024.

(1) Net debt to LTM Adjusted EBITDA is a Capital management measure that includes Adjusted EBITDA, which is a Total of segments measure, and Net debt, which is a non-IFRS measure. Payout ratio is a non-IFRS ratio and is based on Distributable cash after maintenance capital expenditures per unit and distributions declared per unit. See Appendix for more information.



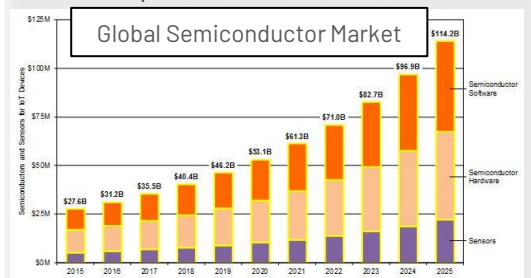
### Energy

- Elevated electricity costs globally.
- Energy-intensive industrial production shifting from Europe to lower-cost energy regions.
- Chemtrade's Chlorate and Chlor-Alkali benefit from advantaged position in North America with regulated, renewable hydro-electricity.
- Elevated natural gas prices in Europe are supporting increased exports of sodium chlorate and natural gas from North America (supporting HCl demand).



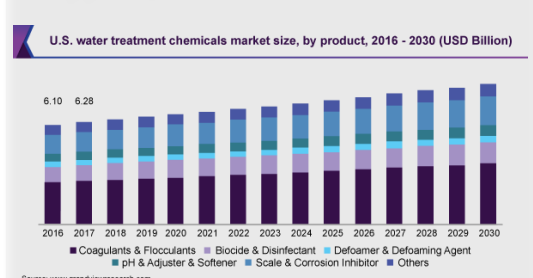
### Semi-Conductor

- North American strategic focus on onshoring semi-conductor production.
- CHIPS Act expected to fuel growth of 2-3x over next 5 years.
- 8-10 new semiconductor Fabs currently underway in the US.
- Chemtrade has two projects to add capacity in North America and is undertaking quality upgrades at its other UPA facilities.
  - Expansion and upgrade in Cairo, Ohio – In progress and on-track.
  - Greenfield JV in Casa Grande, Arizona – Remains temporarily on hold to ensure the project generates an acceptable return on investment.



### Water

- Increasing regulations and population growth support increased demand for coagulants across North America.
- Small expansion projects completed in 2022 are running well.
- Additional capacity expansion projects for PACI and ACH are being undertaken in 2024, with demand for these products growing by 5% or more annually.
- Building a new specialty water chemical line in Augusta, Georgia.
- Continue to additional growth opportunities.



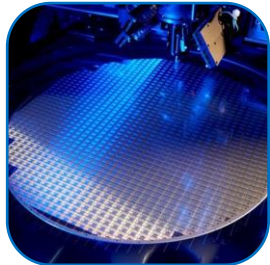


**Chemtrade plans to allocate \$60 million - \$90 million for Growth capital expenditures to support its organic growth projects in 2024, including approximately \$40 million for its Ultrapure sulphuric acid business.**



### Cairo, Ohio: Ultra-Pure Acid Expansion and Upgrade Project

- First plant in North America to meet quality required for next generation semiconductor nodes.
- Expect start up early in H2 2024, after which sample product will be provided to customers for quality validation.
- Anticipated to begin contributing to financial results in 2025.



### Additional Ultra-Pure Acid Projects

- Chemtrade is undertaking continuous quality upgrades at its other Ultrapure Acid facilities.
- The Casa Grande, Arizona greenfield project remains temporarily on hold as Chemtrade and its JV partner ensure that the project generates an acceptable level of return on investment.



### Water Chemicals Projects

- Chemtrade is adding new PACl and ACH lines at existing water chemical facilities in 2024 to add additional capacity for these products seeing strong demand growth.
- Will be building a new specialty water chemical line in Augusta, Georgia, which is expected to add an incremental \$3-5 million of EBITDA annually, once completed.

**Chemtrade is better-positioned than many chemical manufacturers to weather an economic downturn.** This is owing to the defensive attributes of many key products, a diverse product portfolio that is benefitting from a number of varied tailwinds, and Chemtrade's strengthened balance sheet.

### SWC Segment

- Water treatment chemicals are non-discretionary and any decline in raw material costs could result in stronger margins.
- Regen business is resilient as refinery utilization rates generally remain high in a typical recession.
- Ultrapure demand is anticipated to increase irrespective of the economic backdrop, supported by Fab onshoring and semiconductor industry capacity expansions.
- Merchant acid business has risk-sharing agreements in place with suppliers and customers, enhancing its defensiveness.

### EC Segment

- High energy pricing for electrochemical production in Europe / Asia contributing to increased North American demand and pricing for electrochemicals. This is expected to remain a competitive advantage for Chemtrade for several years and could support elevated electrochemical prices and demand through an economic downturn.
- Chlor-alkali impact determined by relative demand for caustic soda and chlorine.



Category	Area of Focus	Key Targets	Progress in 2023
<b>Environmental</b>	GHG and other air emissions	Reduce, offset or displace 2021 baseline direct GHG emissions emitted from sources we own or control (Scope 1 emissions) by 50% by 2025	Approximately 11% of Scope 1 GHG emissions were either reduced, offset, or displaced in 2023 compared to 2021 baseline
		Including all future acquisitions, maintain GHG intensity (kg GHG/kg product) below the chemical industry average	GHG intensity in 2023 is 58% lower than the 2022 chemical industry average
	Industrial and Hazardous Waste	Reduce high clay alumina (HCA) landfill disposal by an additional 20% of 2021 baseline by 2025	Diverted 49% of HCA away from landfills in 2023, up from 27% in 2021
	Energy Management	Ensure a minimum of 85% of our electricity usage is from hydroelectric or other renewable sources and maintain this target when making acquisitions	88% of electricity usage in 2023 was generated from renewable hydroelectric sources
<b>Social</b>	Workforce Health and Safety	Achieve employee occupational injury/illness rates (OIR) of 0.7 by 2025	Employee OIR of 0.45 in 2023
		Avoid all serious injuries or fatalities (SIFs) for employees and contractors in 2022 and beyond	Employee SIF rate of 0.06 in 2023
	Operational Safety, Emergence Preparedness and Response	Reduce Level 1 spills or releases by 50% of 2021 baseline by 2025	Recorded four Level 1 spills or releases in 2023, compared to three in 2021
		Reduce the number of transportation incidents by 50% of our revised 2022 baseline by 2025	Incident rate in 2023 decreased 53% compared to 2022
	Employee Engagement and Diversity	Achieve industry benchmark employee engagement survey results by 2025	Overall engagement rating of 71% in 2023 as compared to external benchmark of 74%
		Across the organization, fill 40% of vacancies with black, Indigenous and people of colour (BIPOC) and/or gender diverse candidates by 2024	56% of new hires in 2023 identified as BIPOC and/or gender diverse
Achieve 50% BIPOC and/or gender diverse representation in all management positions by the end of 2025		39% of managers in 2023 identified as BIPOC and/or gender diverse	
<b>Governance</b>	Corporate Governance and Business Ethics	Demonstrate leadership on ESG by reporting material SASB factors in alignment with Task Force on Climate-Related Financial Disclosure (TCFD) model	Began reporting in alignment with TCFD in 2022
		Incorporate ESG-related targets into short-term and long-term incentive plans of executives starting in 2022	Formalized into executive incentive plans in 2022

For more information, please refer to Chemtrade’s Sustainability Report, available at [www.chemtradelogistics.com/sustainability](http://www.chemtradelogistics.com/sustainability)

Market Leadership	<p><b>Diversified</b> exposure to industrial and consumer end-markets, with extensive product portfolio.</p> <p><b>Significant regional market share</b> across extensive product portfolio and several multi-year tailwinds.</p>
Strong Execution	<p><b>Commercial Excellence and Profitability initiatives</b> contributing to improved margins.</p> <p><b>Operational Excellence and Reliability initiatives</b> driving improved plant performance.</p>
Growth Opportunities	<p><b>Compelling growth opportunities across the business</b> (Ultrapure acid; Water Chemicals; Green Hydrogen; other opportunities for value creation).</p>
Strengthened Balance Sheet	<p><b>Strong balance sheet</b> (1.9x Net debt to LTM Adjusted EBITDA <sup>(1)</sup>) offers financial flexibility.</p> <p><b>Prudent capital allocation and generating unitholder value</b> a core focus.</p>
Defensive Attributes	<p><b>Many key products are expected to see limited impact in a typical economic recession.</b></p> <p><b>Natural inflation hedge</b> through exposure to commodity pricing.</p>
Attractive Distribution	<p><b>Long track-record of paying distributions</b>; increased 10% in January 2024 to \$0.66/unit (annualized)</p> <p><b>7.5% distribution yield <sup>(1)</sup> and implied 2024 Payout ratio of ~45% <sup>(1)</sup></b>, based on mid-point of guidance.</p>
ESG Leadership	<p><b>Chemtrade aiming to be an industry-leader on ESG</b>, based on 2025 ESG targets.</p>

(1) As of April 30, 2024.

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# APPENDIX

**Scott Rook**  
President & CEO

Joined Chemtrade in 2019 as COO; CEO since March 2021

More than 28 years' experience in the chemical industry including commercial, operational, and business leadership roles

Previously Senior VP, Commercial at Ascend Performance Materials

**Rohit Bhardwaj**  
CFO

Joined Chemtrade in 2006 as CFO

Oversees Finance, IT, Investor Relations, Corporate Development, and Legal

Previously CFO, Corporate Secretary and Executive VP, Operations of TSX-listed Inscap Corporation

**Tim Montgomery**  
Group VP, Manufacturing  
and Engineering

Joined Chemtrade in 2020

Oversees Manufacturing, Engineering, and Procurement

More than 30 years' experience in the chemical industry

**Alan Robinson**  
Group VP, Commercial

Joined Chemtrade in 2022

Oversees Commercial

More than 22 years' experience in commercial, business leadership, and supply chains in the chemical industry

**Bramora Rebello**  
VP, Human Resources

Joined Chemtrade in 2015 as Director of Total Rewards

Leads the Human Resources function since September 2023

More than 23 years' experience in Human Resources

**Tejinder Kaushik**  
VP, Information  
Technology

Joined Chemtrade in 2016

Leads Information Technology operations

More than 20 years of IT experience across multiple industries, including formerly Senior Director of Global IT at Celestica

**Susan Paré**  
General Counsel &  
Corporate Secretary

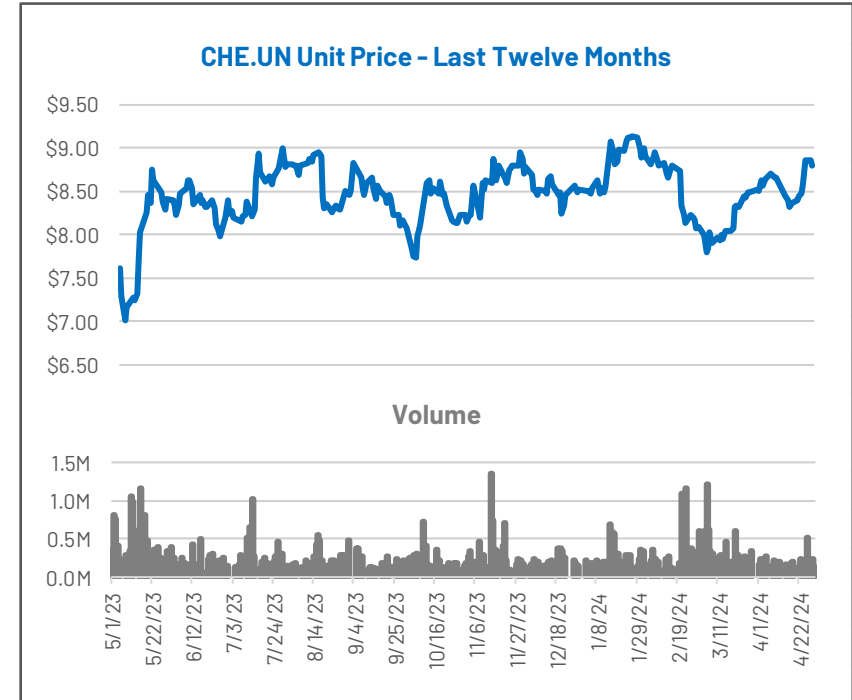
Joined Chemtrade in 2006

Leads the Legal Department and is Corporate Secretary of the Board of Trustees

Also oversees the Environmental Risk group

<b>Douglas Muzyka</b> Chair of the Board	Trustee since November 2020 Corporate Director Previously Senior VP and Chief Science and Technology Officer of E.I. DuPont de Nemours
<b>Lucio Di Clemente</b> Chair of the Compensation and Corporate Governance Committee	Trustee since July 2009 Executive mentor, corporate financial advisor and corporate director
<b>Daniella Dimitrov</b> Chair of the Audit Committee	Trustee since May 2020 Previously CFO, Interim CEO and President of IAMGOLD Over 20 years' of experience in mining and financial services in various roles and corporate director
<b>Emily Moore</b> Chair of the Responsible Care Committee	Trustee since July 2019 Director of Troost Institute for Leadership Education in Engineering at the University of Toronto and corporate director
<b>Luc Doyon</b> Trustee	Trustee since May 2022 Corporate Director 34-year career with Air Liquide
<b>Katherine Rethy</b> Trustee	Trustee since July 2015 Corporate Director Previously Senior VP, Global Services at Falconbridge Ltd.
<b>Gary Merasty</b> Trustee	Trustee since February 2024 Chief Executive Officer of The Peter Ballantyne Group of Companies Over 20 years' experience serving on both corporate and non-profit boards as well as think tanks and secondary institutions
<b>Scott Rook</b> CEO & Trustee	Trustee since March 2021 President and CEO of Chemtrade Previously Senior VP, Commercial at Ascend Performance Materials

<b>Unit Price <sup>(1)</sup></b>	<b>\$8.79</b>
<b>Market Capitalization <sup>(1)</sup></b>	<b>\$1.0 billion</b>
<b>Enterprise Value <sup>(1)</sup></b>	<b>\$1.9 billion</b>
<b>Net debt to Adjusted EBITDA <sup>(2)</sup></b>	<b>1.9x</b>
<b>Distribution / Yield (Annualized) <sup>(1)</sup></b>	<b>\$0.66 per share / 7.5%</b>
<b>LTM Payout Ratio <sup>(2)</sup></b>	<b>28%</b>



(1) As of April 30, 2024

(2) Payout ratio is a Non-IFRS ratio and Net debt to Adjusted EBITDA is a Capital management measure that includes Net debt, which is a Non-IFRS financial measure and are shown as of the end of 2024. See Appendix for more information.





Key Products	Primary End-Uses	Competitive Advantages	Key Competitors
<b>Regen sulphuric acid</b>	Gasoline production	<ul style="list-style-type: none"> <li>Largest facilities are closely connected to customers (connected via pipeline at most facilities)</li> </ul>	Ecovyst; Veolia North America; PVS Chemical Solutions Inc.
<b>Ultrapure sulphuric acid</b>	Semiconductor manufacturing	<ul style="list-style-type: none"> <li>North America's leading producer of ultrapure acid</li> <li>Rigorous qualification process for customers</li> </ul>	PVS Chemical Solutions Inc; Imports from overseas
<b>Merchant sulphuric acid</b>	Wood pulp; industrial chemicals; automobile batteries; steel production; water treatment; mining	<ul style="list-style-type: none"> <li>One of North America's top three marketers of sulphuric acid</li> <li>Half of sulphuric acid manufactured internally</li> <li>Risk-sharing agreements with by-product suppliers</li> </ul>	Glencore; International Raw Materials; Veolia North America; Ecovyst; Southern States Chemical Company; Rio Tinto Kennecott; Cornerstone Chemical Company; Nouryon Chemicals
<b>Water solutions (Alum; ACH; PACl; Ferric)</b>	Municipal and industrial water treatment	<ul style="list-style-type: none"> <li>One of North America's largest suppliers of inorganic coagulants for water treatment</li> <li>Sulphuric acid is a key raw material; able to source from own facilities</li> <li>35+ facilities are located in close proximity to customers</li> </ul>	USALCO; Southern Ionics Incorporated; Affinity Chemical LLC; C&S Chemicals, Inc.; Kemira Water Solutions Inc.; Thatcher Company; Chameleon Specialty Chemicals; Holland Company, Inc.; Ecovyst; GAC Chemical Corporation; Border Chemicals Company Ltd.; Summit Chemicals, Inc.; Phyltec Inc.; Pencco, Inc.; PVS Chemicals, Inc.

## Water Chemicals

- Expect another strong year for water chemicals in 2024, reflecting continued robust demand and pricing.
- Have driven significant growth in water chemicals in recent years, reflecting Commercial Excellence initiatives and small high-return projects.
- Recent PACI and ACH capacity expansions continue to yield strong results.
- Investing in additional production capacity of PACI and ACH in 2024 in addition to investments into new specialty water chemicals. These investments are expected to drive incremental growth in the coming years.
- Favourable long-term outlook supported by non-discretionary nature of the products produced, growing demand, and regulatory tailwinds.

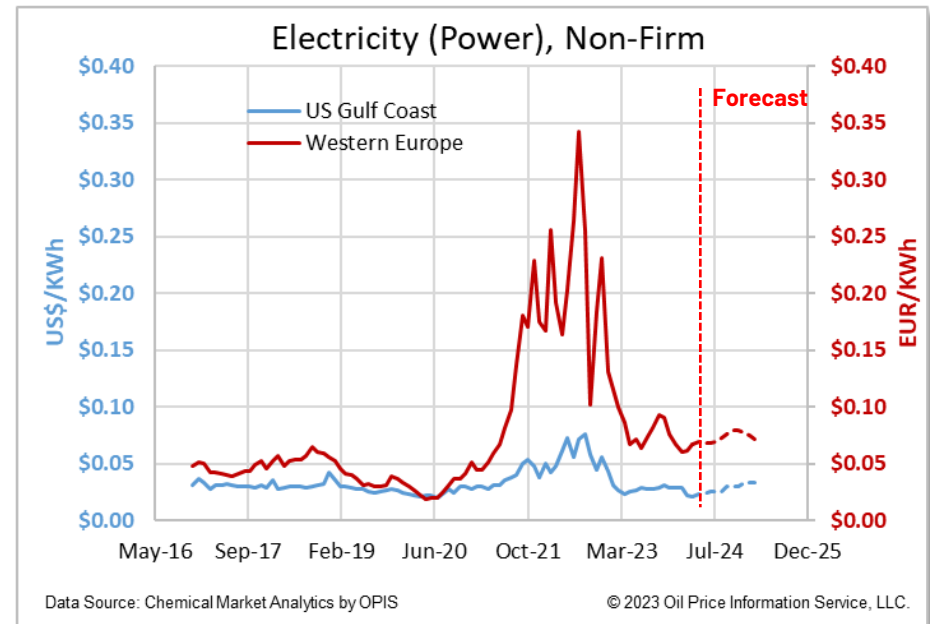
## Sulphuric Acid

- Regen acid, used in gasoline alkylate production, continues to experience strong demand. Chemtrade maintains an optimistic near-term outlook, supported by driving activity.
- 2023 was a strong year in merchant acid and expect a more normal year in 2024. Risk-sharing agreements with suppliers and customers are anticipated to help mitigate any potential pricing and input costs movements.
- Ultrapure acid demand outlook remains very strong over the medium- and long-term, supported by semiconductor industry production capacity expansion in North America. Cairo, Ohio plant expansion and upgrade expected to start up in early H2/24 and begin contributing to results in 2025.

Key Products	Primary End-Uses	Competitive Advantages	Key Competitors
<b>Caustic soda</b>	Pulp & paper; soaps and detergents; aluminum; oil & gas exploration and refining; chemical processes	<ul style="list-style-type: none"> <li>North America: Access to stable, regulated and relatively low-cost hydroelectric power</li> <li>Brazil production of caustic soda mostly sold to Suzano under a long-term contract</li> <li>Both facilities use membrane cell technology, which is newer and more efficient than legacy technologies</li> </ul>	<ul style="list-style-type: none"> <li>North America: Univar; ERCO Worldwide; Westlake Chemical Corporation; Olin Corporation; US Magnesium LLC; K2 Pure Solutions; Occidental Chemical Corporation; Shintech Inc.; Formosa Plastics Corporation</li> <li>Brazil: Unipar Carbocloro; Katrium; Chlorum Solutions</li> </ul>
<b>Chlorine</b>	Construction (PVC); water treatment; chlorine derivatives		
<b>Hydrochloric Acid</b>	Oil & gas drilling; steel manufacturing; water treatment		
<b>Sodium Chlorate</b>	Pulp & paper bleaching	<ul style="list-style-type: none"> <li>North America: Access to stable, regulated and relatively low-cost hydroelectric power</li> <li>Brazil production mostly sold to Suzano under a long-term contract; delivered by pipeline</li> </ul>	<ul style="list-style-type: none"> <li>North America: ERCO Worldwide; Nouryon Chemicals (Eka); Kemira Water Solutions Inc.</li> <li>Brazil: Nouryon Chemicals</li> </ul>

### Sodium Chlorate

- Brandon, Manitoba plant is the largest and one of the lowest cost sodium chlorate plants globally\*.
- Chemtrade's sodium chlorate plants operate in energy regulated markets supplied by renewable hydroelectric energy and could remain advantaged relative to overseas competitors for several years.
- With utility costs representing ~75% of the variable production cost of sodium chlorate, elevated electricity costs overseas are resulting in increasing interest in export volumes from North America to Europe and Asia.
- Anticipating North American sodium chlorate production of 268,000 MTs in 2024, approximately 5% lower compared to 2023, reflecting pulp mill curtailments in Western Canada.



\*Management estimate

### North Vancouver Chlor-Alkali Facility - Biennial Maintenance Turnaround

- Biennial maintenance turnaround at North Vancouver facility was completed successfully in Q2 2024, with the facility now back to normal operating rates. The estimated impact to Q2 2024 Adjusted EBITDA from the maintenance turnaround is approximately \$15 million.

### Chlorine and HCl

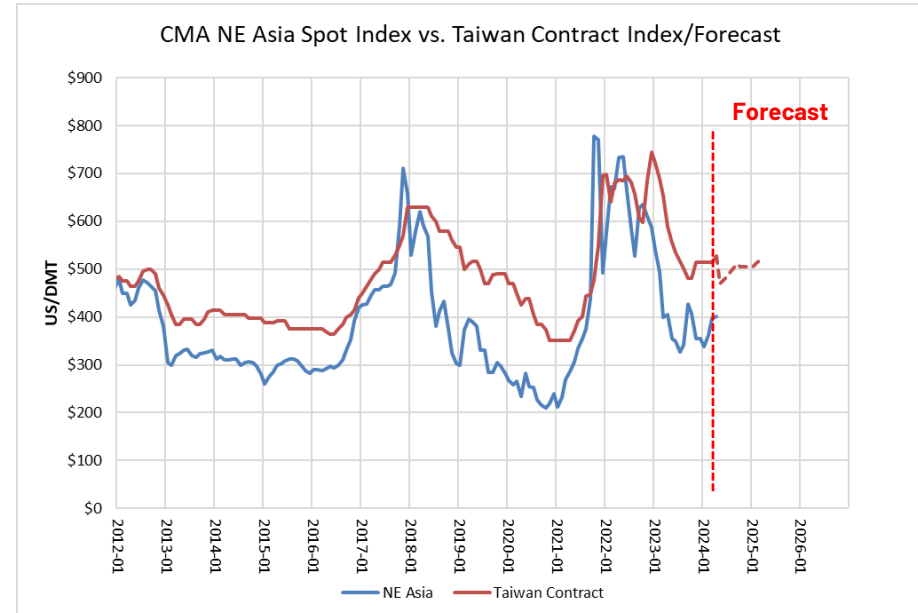
- Merchant chlorine market in North America remains fairly tight currently, supporting pricing and demand.
- Canadian rig counts remain well above 5-year average, signaling continued good near-term demand for HCl.
- New Western Canadian LNG pipeline and export terminal has the potential to drive additional Canadian natural gas production and further support HCl demand and pricing.
- Ongoing global political instability has the potential to boost natural gas demand and fracking activity (contributing to HCl demand), while also contributing to the energy cost advantage relative to overseas electrochemicals producers.
- Expecting total 2024 MECU Netback to be \$210 lower compared to 2023, with lower caustic soda pricing partially offset by chlorine and HCl.

Long Term Market Demand		
2021: (Average)	Oil WTI: US & Can Rigs:	US\$68/bbl 610
2022: (Average)	Oil WTI: US & Can Rigs:	US\$95/bbl 898
2023: (Average)	Oil WTI: US & Can Rigs:	US\$78/bbl 864
Apr. 2024:	Oil WTI: US & Can Rigs:	US\$81/bbl 731

Sources: Baker Hughes, NYMEX

## Caustic Soda

- 2024 Guidance assumes realized caustic soda pricing based on an average NE Asia index price of US\$375 per tonne, as compared to US\$455 per tonne in 2023.
- Caustic soda pricing expected to remain a year-over-year headwind in Q2 2024.
- Every US\$50/DMT change in caustic soda index pricing equates to ~C\$12.5 million of annual EBITDA.
- Taiwan contract pricing and industry consultants suggest pricing has reached the bottom of the cycle, with expected improvement during 2024 and into 2025.



Source: CMA (Chemical Market Analytics by OPIS, a Dow Jones Company, formerly IHS Markit Base Chemical)

# Q1 2024 Consolidated Quarterly Results

C\$ Millions, except per unit metrics and ratios

Q1 2024 results represented a solid start to 2024 and were ahead of Chemtrade's internal expectations, albeit below the record Q1 results achieved in 2023.

	Q1 2024	Q1 2023	Change (\$)	Change (%)
Revenue	418.2	471.2	(53.0)	(11)%
Net Earnings (Loss)	42.0	79.5	(37.6)	(47)%
Adjusted EBITDA <sup>(1)</sup>	109.9	131.7	(21.7)	(17)%
Cash Flows from Operating Activities	2.4	54.4	(52.0)	(96)%
Distributable cash after maintenance capital expenditures <sup>(1)</sup>	59.9	87.6	(27.7)	(32)%
DCPU <sup>(1)(2)</sup>	0.51	0.76	(0.25)	(33)%
LTM Payout ratio (%) <sup>(1)(3)</sup>	28%	28%	n/a	n/a
Net debt <sup>(1)</sup>	913.7	978.0	(64.3)	(7)%
Net debt to LTM Adjusted EBITDA <sup>(1)</sup>	1.9x	2.2x	n/a	n/a

(1) Adjusted EBITDA is a Total of segments measure; Distributable cash after maintenance capital expenditures is a non-IFRS financial measure and DCPU (Distributable cash after maintenance capital expenditures per unit) and Payout ratio are non-IFRS ratios. Net debt to LTM Adjusted EBITDA is a Capital management measure that includes Net debt, which is a non-IFRS financial measure. See Appendix for more information.

(2) Based on weighted average number of units outstanding for the period.

(3) Payout ratio for the last twelve months.



2024 Guidance (\$ million)	2024 Guidance	2023 Actual	Three months ended	
			March 31, 2024	March 31, 2023
Adjusted EBITDA <sup>(1)</sup>	\$395.0 - \$435.0	\$502.6	\$109.9	\$131.7
Maintenance Capital Expenditures <sup>(1)</sup>	\$85.0 - \$105.0	\$104.2	\$15.4	\$17.5
Growth Capital Expenditures <sup>(1)</sup>	\$60.0 - \$90.0	\$62.1	\$19.9	\$10.4
Lease Payments	\$55.0 - \$65.0	\$58.3	\$14.6	\$14.1
Cash Interest <sup>(1)</sup>	\$45.0 - \$55.0	\$42.4	\$11.0	\$10.9
Cash Tax <sup>(1)</sup>	\$30.0 - \$50.0	\$14.7	\$9.0	\$1.6

(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 Appendix for more information.

Key Assumptions	2024 Assumptions	2023 Actual
Approximate North American MECU sales volumes	173,000	181,000
2024 realized MECU Netback being higher or (lower) than 2023 per MECU*	CAD (\$210)	N/A
Average CMA <sup>(1)</sup> NE Asia caustic spot price index per tonne <sup>(2)</sup>	US\$375	US\$455
Approximate North American production volumes of sodium chlorate (MTs)	268,000	283,000
USD to CAD average foreign exchange rate	1.312	1.349
Long Term Incentive Plan costs (in \$ millions)	\$10.0 - \$20.0	\$17.3

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

(2) The average CMA NE Asia caustic spot price for 2024, 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.

### Caustic Soda Price

- Change of US\$50/DMT = C\$12.5 million

### Sodium Chlorate Price

- Change of CA\$50/metric tonne = C\$13.4 million

### C\$/US\$ exchange rate

- Change of 1 cent = C\$3.8 million (favourable if C\$ weakens)



# Non-IFRS Financial Measures and 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 our 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 slides outline our 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, our 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 our 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 our 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 our cash flows including our ability to pay distributions to Unitholders.



# Non-IFRS financial measures and ratios

C\$ Millions, except per unit metrics and ratios

	For the twelve months ended	
	Q1 2024	Q1 2023
<b>LTM Cash flow from operating activities</b>	<b>\$ 349.5</b>	<b>\$ 386.4</b>
Add (Less):		
LTM lease payments net of sub-lease receipts	(58.8)	(53.6)
LTM (decrease) Increase in working capital	33.5	(18.6)
LTM changes in other items <sup>(1)</sup>	33.3	28.2
LTM Maintenance capital expenditures	(102.1)	(103.1)
<b>LTM Distributable cash after maintenance capital expenditures</b>	<b>255.3</b>	<b>239.4</b>
Weighted average number of units outstanding	116,578,501	111,234,533
<b>LTM Distributable cash after maintenance capital expenditures per unit</b>	<b>\$ 2.19</b>	<b>\$ 2.15</b>
LTM Distributions declared per unit <sup>(2)</sup>	\$ 0.615	\$ 0.60
<b>LTM Payout ratio (%)</b>	<b>28%</b>	<b>28%</b>

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

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



# Non-IFRS financial measures and ratios

C\$ Thousands, except per unit metrics and ratios

*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 it is useful to investors:** It provides useful information related to our aggregate debt balances.

	For the quarter ended								
	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>Long-term debt <sup>(1)</sup></b>	<b>\$ 322.5</b>	<b>\$ 246.5</b>	<b>\$ 315.0</b>	<b>\$ 368.1</b>	<b>\$ 327.8</b>	<b>\$ 370.0</b>	<b>\$ 377.5</b>	<b>\$ 498.3</b>	<b>\$ 524.1</b>
Add (Less):									
Debentures <sup>(1)</sup>	425.5	425.6	425.7	426.2	627.3	517.4	517.4	517.4	517.4
Lease liabilities	52.3	49.3	51.3	48.0	47.9	45.6	45.4	43.9	44.4
Long-term lease liabilities	141.0	130.6	130.7	120.1	107.8	94.1	90.8	90.7	93.8
Cash and cash equivalents	(27.5)	(21.5)	(35.8)	(34.3)	(132.7)	(72.6)	(36.9)	(23.3)	(19.5)
<b>Net debt</b>	<b>\$ 913.7</b>	<b>\$ 830.5</b>	<b>\$ 886.9</b>	<b>\$ 928.1</b>	<b>\$ 978.0</b>	<b>\$ 954.5</b>	<b>\$ 994.2</b>	<b>\$1,126.8</b>	<b>\$1,160.1</b>

(1) Principal amount outstanding.



# Non-IFRS financial measures and ratios

C\$ Thousands, except per unit metrics and ratios

## 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 a joint venture

**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

	Three months ended	Three months ended	Twelve months ended
	March 31, 2024	March 31, 2023	December 31, 2023
<b>Capital expenditures</b>	<b>\$ 35,227</b>	<b>\$ 27,903</b>	<b>\$ 166,395</b>
Add (Less):			
Maintenance capital expenditures	(15,361)	(17,531)	(104,249)
Non-maintenance capital expenditures	19,866	10,372	62,146
Investment in a joint venture <sup>(1)</sup>	-	-	-
<b>Growth capital expenditures</b>	<b>\$ 19,866</b>	<b>\$ 10,372</b>	<b>\$ 62,146</b>

(1) KPCT Advanced Chemicals LLC (“KPCT”) joint venture’s project to build an ultrapure sulphuric acid facility in Arizona

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 LTM Adjusted EBITDA-*

**Definition:** Net debt to LTM Adjusted EBITDA is calculated as Net debt divided by LTM Adjusted EBITDA. LTM Adjusted EBITDA represents the last twelve months Adjusted EBITDA.

**Why we use the measure and why it is useful to investors:** It provides useful information related to our debt leverage and our ability to service debt. We monitor Net debt to LTM 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 slide provides an explanation of the composition of the Total of segments measures.

*Adjusted EBITDA -*

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

	Three months ended March 31	
	2024	2023
<b>Net earnings</b>	<b>\$ 41,955</b>	<b>\$ 79,533</b>
Add (Less):		
Depreciation and amortization	44,890	52,140
Net finance (income)	5,642	(12,736)
Income tax expense	12,244	13,875
Net loss (gain) on disposal and write-down of PPE	711	1,787
Change in environmental and decommissioning liability	(730)	894
Gain on disposal of assets	-	-
Unrealized foreign exchange loss (gain)	5,222	(3,824)
<b>Adjusted EBITDA</b>	<b>\$ 109,934</b>	<b>\$ 131,669</b>

*Adjusted EBITDA –*

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

	Adjusted EBITDA for the twelve months ended								
	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>LTM Net earnings (loss)</b>	<b>\$211.7</b>	<b>\$249.3</b>	<b>\$225.9</b>	<b>\$230.5</b>	<b>\$ 178.0</b>	<b>\$ 109.1</b>	<b>\$ (59.7)</b>	<b>\$ (155.2)</b>	<b>\$ (204.1)</b>
Add (Less):									
LTM depreciation and amortization	210.2	217.5	215.0	216.8	216.9	217.0	222.1	222.1	229.4
LTM net finance costs	42.4	24.0	27.5	4.0	8.4	50.0	69.7	114.2	123.5
LTM Income tax (recovery) expense	40.4	42.1	64.6	60.8	56.1	60.1	49.3	44.7	41.4
LTM impairment of intangible assets and PPE	-	-	-	-	-	-	130.0	130.0	130.0
LTM change in environmental and decommissioning liability	5.6	7.2	(2.6)	0.9	0.8	-	0.6	0.6	0.6
LTM net (gain) loss on disposal and write-down of PPE	(3.1)	(2.0)	5.7	6.0	4.0	2.1	(0.8)	(1.9)	(0.6)
LTM loss on disposal of assets held for sale	-	-	-	-	(0.2)	0.5	7.6	7.6	7.9
LTM gain on disposal of assets	(24.3)	(24.3)	-	-	(17.4)	(17.4)	(17.4)	(17.4)	-
LTM unrealized foreign exchange (gain) loss	(2.1)	(11.1)	(13.8)	(1.8)	8.2	9.6	17.8	4.6	4.6
<b>LTM Adjusted EBITDA</b>	<b>\$ 480.9</b>	<b>\$ 502.6</b>	<b>\$ 522.2</b>	<b>\$ 517.2</b>	<b>\$ 454.7</b>	<b>\$ 430.9</b>	<b>\$ 419.2</b>	<b>\$ 349.3</b>	<b>\$ 332.8</b>

Adjusted EBITDA –

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

Adjusted EBITDA for the year ended December 31					
	2023	2022	2021	2020	2019
<b>Net earnings (loss)</b>	<b>\$ 249.3</b>	<b>\$ 109.1</b>	<b>\$ (235.2)</b>	<b>\$ (167.5)</b>	<b>\$ (99.7)</b>
Add (Less):					
Depreciation and amortization	217.5	217.0	239.6	253.9	262.5
Net finance costs	24.0	50.0	116.2	140.3	88.5
Income tax (recovery) expense	42.1	60.1	15.0	(47.5)	(24.3)
Impairment of intangible assets and PPE	-	-	130.0	56.0	65.6
Change in environmental and decommissioning liability	7.2	-	0.6	8.2	-
Net (gain) loss on disposal and write-down of PPE	(2.0)	2.1	(0.4)	21.0	13.8
Loss on disposal of assets held for sale	-	0.5	7.1	-	-
Gain on disposal of assets	(24.3)	(17.4)	-	-	-
Unrealized foreign exchange (gain) loss	(11.1)	9.6	7.5	0.8	(10.8)
<b>Adjusted EBITDA</b>	<b>\$ 502.6</b>	<b>\$ 430.9</b>	<b>\$ 280.4</b>	<b>\$ 265.3</b>	<b>\$ 295.6</b>

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 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 our 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 interest expense related to long-term debt, interest on Debentures, pension interest expense and interest income.

## *Cash tax*

Represents current income tax expense.