

CHEMTRADE LOGISTICS INCOME FUND

Management's Discussion and Analysis

For the Three and Nine Months Ended September 30, 2025

November 11, 2025

Q3 2025



CHEMTRADE

MANAGEMENT'S DISCUSSION AND ANALYSIS

This MD&A is intended to assist you to understand and assess the trends and significant changes in the results of operations and financial condition of Chemtrade Logistics Income Fund.

This MD&A should be read in conjunction with the unaudited Condensed Consolidated Interim Financial Statements of Chemtrade for the three and nine months ended September 30, 2025, the audited consolidated financial statements of Chemtrade for the year ended December 31, 2024 and the annual MD&A for the year ended December 31, 2024.

Chemtrade's financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS"). Chemtrade's reporting currency is the CAD. In this MD&A, amounts are presented in thousands of CAD unless otherwise indicated. This MD&A is current as at November 11, 2025 and was approved by the Board on that date.

This MD&A contains certain non-IFRS financial measures and ratios which do not have standard meanings under IFRS. Therefore they may not be comparable to similar measures presented by other issuers. Further information and reconciliations of these measures to the most directly comparable measures under IFRS may be found at [Non-IFRS and Other Financial Measures](#) on page 41.

This MD&A also contains statements and information about our expectations about the future. Please refer to the cautionary statement in [Caution Regarding Forward - Looking Statements](#) on page 39.

Definitions

MD&A means Management's Discussion & Analysis

Fund means Chemtrade Logistics Income Fund

Chemtrade, we, us and *our* mean the Fund and its consolidated subsidiaries

IFRS means International Financial Reporting Standards as issued by the IASB

SWC means our Sulphur and Water Chemicals reportable segment

EC means our Electrochemicals reportable segment

More terms and definitions are explained on page 48.

Where to find it

About Chemtrade.....	2	Contractual Obligations.....	32
Financial Highlights.....	3	Financial Outlook.....	33
Recent Developments.....	6	Risks and Risk Management.....	35
Consolidated Operating Results.....	8	Significant Judgments and Sources of Estimation..	36
Results of Operations by Reportable Segment..	10	Standards and Interpretations.....	37
Net Finance Costs and Income Taxes.....	17	Disclosure Controls and Procedures and Internal Controls over Financial Reporting.....	38
Distributions.....	20	Caution Regarding Forward-Looking Statements...	39
Cash Flows.....	22	Non-IFRS and other Financial Measures.....	41
Liquidity and Capital Resources.....	25	Terms and Definitions.....	48
Financial Condition Review.....	29		
Summary of Quarterly Results.....	30		
Outstanding Securities of the Fund.....	32		

About Chemtrade

We provide industrial chemicals and services to customers in North America and around the world. We report our results in two reportable segments:

Sulphur and Water Chemicals (SWC) and Electrochemicals (EC).

SWC markets, removes and/or produces merchant, Regen and ultra pure sulphuric acid, sodium hydrosulphite, elemental sulphur, hydrogen sulphide, sodium bisulphite, and sulphides, and provides other processing services. SWC also manufactures and markets a variety of inorganic coagulants used in water treatment, including aluminum sulphate, aluminum chlorohydrate, polyaluminum chloride, ferric sulphate, and sodium nitrite. SWC products are marketed primarily to North American customers.

EC manufactures and markets sodium chlorate and chlor-alkali products including caustic soda, chlorine and HCl, largely for the pulp and paper, oil and gas and water treatment industries. These products are marketed primarily to North American and South American customers.

FINANCIAL HIGHLIGHTS

These financial highlights have been presented in accordance with IFRS, except where noted.

(\$'000 except per unit amounts)	<u>Three months ended</u>		<u>Nine months ended</u>	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Revenue	\$ 532,762	\$ 474,178	\$ 1,495,735	\$ 1,340,508
Net earnings	\$ 42,373	\$ 60,080	\$ 101,138	\$ 116,634
Net earnings per unit ⁽¹⁾	\$ 0.38	\$ 0.51	\$ 0.88	\$ 0.99
Diluted net earnings per unit ⁽¹⁾	\$ 0.38	\$ 0.40	\$ 0.88	\$ 0.93
Total assets	\$ 2,298,620	\$ 2,161,850	\$ 2,298,620	\$ 2,161,850
Long-term debt	\$ 504,673	\$ 298,124	\$ 504,673	\$ 298,124
Convertible unsecured subordinated debentures	\$ 309,935	\$ 357,355	\$ 309,935	\$ 357,355
Adjusted EBITDA ⁽²⁾	\$ 151,199	\$ 137,153	\$ 409,237	\$ 362,199
Cash flows from operating activities	\$ 155,482	\$ 143,244	\$ 250,491	\$ 247,808
Distributable cash after maintenance capital expenditures ⁽²⁾	\$ 77,788	\$ 65,939	\$ 211,331	\$ 173,606
Distributable cash after maintenance capital expenditures per unit ⁽²⁾	\$ 0.6905	\$ 0.5552	\$ 1.8473	\$ 1.4750
Distributions declared	\$ 19,413	\$ 19,849	\$ 59,033	\$ 58,515
Distributions declared per unit ⁽³⁾	\$ 0.1725	\$ 0.1650	\$ 0.5175	\$ 0.4950
Distributions paid, net of distributions reinvested	\$ 19,466	\$ 19,605	\$ 59,142	\$ 56,641

⁽¹⁾ Based on weighted average number of units outstanding for the period.

⁽²⁾ See [Non-IFRS and Other Financial Measures](#) on page 41.

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

THIRD QUARTER 2025 HIGHLIGHTS

- Revenue of \$532.8 million, an increase of \$58.6 million or 12.4% year-over-year; excluding the impact of foreign exchange, revenue for 2025 was \$55.1 million higher than 2024, driven by higher selling prices for several key products, which more than offset the impact of lower selling prices for chlorine.
- Adjusted EBITDA of \$151.2 million is the highest quarterly Adjusted EBITDA generated by Chemtrade since its inception. This is an increase of \$14.0 million or 10.2% year-over-year; excluding the impact of foreign exchange, Adjusted EBITDA for 2025 was \$12.9 million higher than 2024, primarily due to higher selling prices for several products, partially offset by lower selling prices for chlorine and higher input costs.
- Net earnings of \$42.4 million, a decrease of \$17.7 million year-over-year primarily owing to losses related to the change in fair value of Debentures and higher depreciation and amortization expense, partially offset by higher Adjusted EBITDA, and lower income tax expense.
- Cash flows from operating activities of \$155.5 million, an increase of \$12.2 million or 8.5% year-over-year mainly due to higher Adjusted EBITDA.
- Distributable cash after maintenance capital expenditures of \$77.8 million, an increase of \$11.8 million or 18.0% year-over-year, reflecting higher Adjusted EBITDA. Distributable cash after maintenance capital expenditures per unit increased by 24.4% year-over-year to \$0.69 per unit. Chemtrade's Payout ratio for the last twelve months was 32%.
- Chemtrade purchased approximately 1.0 million units in the third quarter under a normal course issuer bid (NCIB).
- Chemtrade continues to maintain a strong balance sheet, with a Net debt to LTM Adjusted EBITDA⁽¹⁾ ratio of 1.8x at the end of the third quarter of 2025.
- Although global trade tensions were prevalent through 2025 and still persist, Chemtrade's business has shown resilience and continues to deliver strong results with market conditions for its products remaining favourable. This along with our focus on operational and commercial excellence allows us to raise our Adjusted EBITDA guidance for 2025. We now anticipate that 2025 will be a record year, surpassing 2023, when we generated Adjusted EBITDA of \$502.6 million, see [Financial Outlook](#). The updated guidance excludes earnings from Polytec as the timing of closing the acquisition is uncertain and subject to regulatory approvals, which have been delayed due to the U.S. government shutdown.

¹Net debt to LTM Adjusted EBITDA is a non-IFRS ratio. See [Non-IFRS and Other Financial Measures](#)

NINE MONTHS 2025 HIGHLIGHTS

- Revenue of \$1,495.7 million, an increase of \$155.2 million or 11.6% year-over-year. Excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, revenue for 2025 was \$114.4 million higher than 2024, driven by higher selling prices for several key products, which more than offset the impact of lower selling prices for chlorine and lower volumes of caustic soda.
- Adjusted EBITDA of \$409.2 million, an increase of \$47.0 million or 13.0% year-over-year; excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, Adjusted EBITDA for 2025 was \$18.9 million higher than 2024, primarily owing to higher selling prices for several products, partially offset by lower volumes for some products and higher input costs.
- Net earnings of \$101.1 million, a decrease of \$15.5 million year-over-year primarily owing to the impairment of PPE, losses related to the change in fair value of Debentures and higher depreciation and amortization expense, partially offset by higher Adjusted EBITDA, favourable unrealized foreign exchange gains and lower income tax expense.
- Cash flows from operating activities of \$250.5 million, an increase of \$2.7 million or 1.1% year-over-year mainly due to higher Adjusted EBITDA, partially offset by an increase in working capital.
- Distributable cash after maintenance capital expenditures of \$211.3 million, an increase of \$37.7 million or 21.7% year-over-year, reflecting higher Adjusted EBITDA partially offset by higher maintenance capital expenditures and higher lease payments.
- We purchased approximately 7.1 million units during the year as part of our two NCIBs.
- In January 2025, we increased our monthly distribution rate by approximately 5% to \$0.0575 per unit or \$0.6900 per unit per year. Chemtrade's Payout ratio⁽¹⁾ for the first nine months of 2025 was 28%.

¹ Payout ratio is a non-IFRS ratio. See [Non-IFRS and Other Financial Measures](#)

RECENT DEVELOPMENTS

Acquisition of Polytec, Inc. a Provider of Turnkey Water Treatment Solutions

On August 14, 2025, Chemtrade announced that it had entered into an agreement to acquire Polytec, Inc. ("Polytec"), a southeastern United States-based provider of turnkey water treatment solutions, for USD \$150.0 million. The transaction represents a multiple of approximately 6.5x LTM Adjusted EBITDA. The closing of this transaction is subject to regulatory approvals which have been delayed due to the U.S. government shutdown.

Extension of Credit Facility

Subsequent to September 30, 2025, Chemtrade extended its credit facility by two years, moving the maturity date from October 24, 2028 to October 31, 2030.

Substantial Issuer Bid (SIB) and Redemption of all the 6.25% Convertible Debentures Due August 31, 2027

On September 22, 2025, the Fund announced that it would redeem on November 4, 2025 all of its issued and outstanding 6.25% convertible unsecured subordinated debentures due August 31 2027 (the "2027 Debentures") in accordance with the terms of the indenture pursuant to which they were issued (the "Redemption"). Also on September 22, 2025, the Fund commenced a substantial issuer bid (SIB), under which the Fund offered to purchase for cancellation all of the issued and outstanding 2027 Debentures. The purchase price under the SIB was \$1,340 in cash per \$1,000 principal amount of 2027 Debentures, plus all accrued and unpaid interest thereon to, but excluding the payment date.

Prior to the expiry of the SIB, \$39.5 million aggregate principal amount of 2027 Debentures converted into 3.9 million units. On November 3, 2025, the SIB expired with a total of \$85.6 million aggregate principal amount of 2027 Debentures tendered for total consideration of \$115.7 million, representing a purchase price of \$1,340 per \$1,000 principal amount of 2027 Debentures, plus all accrued and unpaid interest thereon to, but excluding the payment date. On November 4, 2025, the Fund completed the redemption of \$4.9 million aggregate principal amount of 2027 Debentures which represented all of the 2027 Debentures which remained outstanding.

Substantial Issuer Bid (SIB) for the 7.00% Convertible Debentures Due June 30, 2028

On September 22, 2025, the Fund also commenced a second SIB, under which the Fund offered to purchase for cancellation up to all of the issued and outstanding 7.00% convertible unsecured subordinated debentures due June 30, 2028 (the "2028 Debentures"). Under the SIB Offer, the Fund offered to purchase, at the election of the holders of 2028 Debentures, for each \$1,000 principal amount of 2028 Debentures validly tendered and not withdrawn:

(a) pursuant to a cash election (the "2028 Cash Election"), (i) \$1,200 in cash, plus (ii) a cash payment in respect of all accrued and unpaid interest on such 2028 Debentures up to, but excluding, the date they were taken up and paid for by the Fund; or

(b) pursuant to a debenture election (the "2028 Debenture Election"): (i) \$1,000 principal amount of 7.00% Unsecured Subordinated Debentures due June 30, 2028 of Chemtrade (the "New Debentures"), plus (ii) \$200 in cash, plus (iii) a cash payment in respect of all accrued and unpaid interest on such 2028 Debentures up to, but excluding, the date they were taken up and paid for by the Fund.

On November 3, 2025, the SIB expired with a total of \$8.5 million aggregate principal amount of 2028 Debentures tendered under the 2028 Cash Election and \$73.9 million aggregate principal amount of 2028 Debentures tendered under the 2028 Debenture Election. The Fund issued \$73.9 million aggregate principal amount of New Debentures and paid cash of \$27.0 million. As at November 4, 2025, \$27.5 million aggregate principal amount of 2028 Debentures remain outstanding.

Senior Unsecured Notes

On October 1, 2025, Chemtrade successfully closed its private offering of \$250.0 million aggregate principal amount of 5.750% Notes due October 1, 2032 (the "2032 Notes"), and incurred transaction costs of \$4.6 million. Chemtrade utilized net proceeds of the issuance to pay down its revolving credit facility and for general corporate purposes.

Normal Course Issuer Bid (NCIB) For Units

We have implemented a new NCIB under which we are authorized to purchase up to 11.2 million units over a 12 month period ending August 18, 2026. As of September 30, 2025, approximately 1.0 million units were purchased as part of this NCIB.

Redemption of all of the 6.50% Convertible Debentures Due October 31, 2026

On September 15, 2025, the Fund completed the redemption of all its outstanding 6.50% convertible unsecured subordinated debentures due October 31, 2026 (the "2026 Debentures") in accordance with the terms of the trust indenture, as amended and supplemented by supplemental indentures thereto, pursuant to which they were issued. Chemtrade used cash on hand and draws on its credit facilities, to fund this redemption.

CONSOLIDATED OPERATING RESULTS

	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
F/X Rate	US\$1.00 = \$1.38 in 2025 compared with US\$1.00 = \$1.36 in 2024. The weaker Canadian dollar during 2025 compared with 2024 had a positive impact on consolidated revenue, gross profit and Adjusted EBITDA of \$3.5 million, \$1.0 million and \$1.1 million, respectively.	US\$1.00 = \$1.40 in 2025 compared with US\$1.00 = \$1.36 in 2024. The weaker Canadian dollar during 2025 compared with 2024 had a positive impact on consolidated revenue, gross profit and Adjusted EBITDA of \$30.3 million, \$9.5 million and \$10.2 million, respectively.
General Comments	The biennial maintenance turnaround at the North Vancouver chlor-alkali plant during the second quarter of 2024 had a negative impact of approximately \$10.5 million on revenue and approximately \$17.9 million on gross profit and Adjusted EBITDA for the nine months ended September 30, 2024.	
Revenue	Consolidated revenue for 2025 was \$532.8 million, which was \$58.6 million higher than revenue for 2024. Excluding the impact of foreign exchange, revenue for 2025 was \$55.1 million higher primarily due to: • higher selling prices and volumes of merchant acid, water solutions products and Regen acid in the SWC segment, • higher selling prices for sulphur products in the SWC segment, • higher sales volumes of sodium chlorate in the EC segment, and • higher selling prices for caustic soda and sodium chlorate in the EC segment, partially offset by: • lower selling prices for chlorine in the EC segment.	Consolidated revenue for 2025 was \$1,495.7 million, which was \$155.2 million higher than revenue for 2024. Excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, revenue was \$114.4 million higher primarily due to: • higher selling prices and volumes of merchant acid, water solutions products and Regen acid in the SWC segment, • higher selling prices for sulphur products in the SWC segment, • higher selling prices for caustic soda, sodium chlorate and HCl in the EC segment, and • higher sales volumes of sodium chlorate in the EC segment, partially offset by: • lower selling prices for chlorine in the EC segment.

	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
Adjusted EBITDA	Adjusted EBITDA for 2025 was \$151.2 million which was \$14.0 million higher than the Adjusted EBITDA for 2024. Excluding the impact of foreign exchange, Adjusted EBITDA for 2025 was \$12.9 million higher than 2024 primarily due to: • higher selling prices and volumes for merchant acid, Regen acid and water solutions products in the SWC segment, • higher sales volumes of sodium chlorate in the EC segment, and • higher selling prices for caustic soda and sodium chlorate in the EC segment, partially offset by: • lower selling prices for chlorine in the EC segment, and • higher corporate costs.	Adjusted EBITDA for 2025 was \$409.2 million, which was \$47.0 million higher than Adjusted EBITDA for the same period of 2024. Excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, Adjusted EBITDA was \$18.9 million higher primarily due to: • higher selling prices for caustic soda, sodium chlorate and HCl in the EC segment, • higher sales volumes of sodium chlorate in the EC segment, and • higher selling prices and volumes for merchant acid, Regen acid and water solution products the SWC segment, partially offset by: • lower selling prices for chlorine in the EC segment, and • higher corporate costs.
Net Earnings	Net earnings for 2025 were \$42.4 million, which were \$17.7 million lower than 2024 primarily due to: • higher net finance costs during 2025 (see Net Finance Costs on page 17), and • higher depreciation and amortization expense, partially offset by: • higher Adjusted EBITDA, and • lower income tax expense (see Income Taxes on page 18).	Net earnings for 2025 were \$101.1 million, which were \$15.5 million lower than 2024 primarily due to: • impairment of PPE related to the Prince George sodium chlorate facility and sodium nitrite CGU, • higher net finance costs during 2025 (see Net Finance Costs on page 17), and • higher depreciation and amortization expense, partially offset by: • higher Adjusted EBITDA, • unrealized foreign exchange gains during 2025 compared to unrealized foreign exchange losses during 2024, and • lower income tax expense (see Income Taxes on page 18).

RESULTS OF OPERATIONS BY REPORTABLE SEGMENT

SULPHUR AND WATER CHEMICALS (SWC)

(\$'000)	<u>Three months ended</u>		<u>Nine months ended</u>	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Revenue	\$ 334,197	\$ 280,500	\$ 907,676	\$ 778,053
Gross profit	69,148	62,137	165,847	156,905
Adjusted EBITDA	92,148	78,296	227,869	207,920

	SWC OPERATING RESULTS	
	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
F/X Rate	The weaker Canadian dollar during 2025 compared with 2024 had a positive impact on consolidated revenue, gross profit and Adjusted EBITDA of \$2.4 million, \$0.2 million and \$0.3 million, respectively.	The weaker Canadian dollar during 2025 compared with 2024 had a positive impact on consolidated revenue, gross profit and Adjusted EBITDA of \$18.0 million, \$1.6 million and \$2.5 million, respectively.
Revenue	Revenue for 2025 was \$53.7 million higher than revenue for 2024. Excluding the impact of foreign exchange, revenue was \$51.3 million higher primarily due to: • higher selling prices and volumes of merchant acid and Regen acid, • higher volumes and selling prices for water solutions products, and • higher selling prices for sulphur products.	Revenue for 2025 was \$129.6 million higher than revenue for 2024. Excluding the impact of foreign exchange, revenue was \$111.6 million higher primarily due to: • higher selling prices and volumes of merchant acid and Regen acid, • higher volumes and selling prices for water solutions products, and • higher selling prices for sulphur products.

	SWC OPERATING RESULTS	
	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
Adjusted EBITDA	Adjusted EBITDA for 2025 was \$92.1 million which was \$13.9 million higher than Adjusted EBITDA for 2024. Excluding the impact of foreign exchange, Adjusted EBITDA was \$13.6 million higher primarily due to: • higher selling prices and volumes for merchant acid, Regen acid and water solutions products which more than offset higher input costs.	Adjusted EBITDA for 2025 was \$227.9 million, which was \$19.9 million higher than Adjusted EBITDA for 2024. Excluding the impact of foreign exchange, Adjusted EBITDA was \$17.4 million higher primarily due to: • higher selling prices and volumes for merchant acid, Regen acid and water solutions products which more than offset higher input costs.
Gross Profit	Gross profit for 2025 was \$69.1 million, which was \$7.0 million higher than gross profit for 2024. Excluding the impact of foreign exchange, gross profit for 2025 was \$6.8 million higher than 2024. Higher Adjusted EBITDA was partially offset by increased depreciation and amortization expenses during 2025.	Gross profit for 2025 was \$165.8 million, which was \$8.9 million higher than gross profit for 2024. Excluding the impact of foreign exchange, gross profit for 2025 was \$7.3 million higher than 2024. Higher Adjusted EBITDA was partially offset by increased depreciation and amortization expenses during 2025.

ELECTROCHEMICALS (EC)

(\$'000)	<u>Three months ended</u>		<u>Nine months ended</u>	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
North American sales volumes:				
Sodium chlorate sales volumes (000's MT)	70	65	206	205
Chlor-alkali sales volumes (000's MECU)	48	47	135	129
Revenue	\$ 198,565	\$ 193,678	\$ 588,059	\$ 562,455
Gross profit	72,695	63,119	208,325	174,996
Adjusted EBITDA	93,791	82,993	274,091	230,593

	EC OPERATING RESULTS	
	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
F/X Rate	The weaker Canadian dollar during 2025 compared with 2024 had a positive impact on consolidated revenue, gross profit and Adjusted EBITDA of \$1.1 million, \$0.8 million and \$0.8 million, respectively.	The weaker Canadian dollar during 2025 compared with 2024 had a positive impact on consolidated revenue, gross profit and Adjusted EBITDA of \$12.2 million, \$8.1 million and \$8.4 million, respectively.
General Comments	Revenue, gross profit and Adjusted EBITDA for the nine months ended September 30, 2024 were negatively affected by the biennial maintenance turnaround at the North Vancouver chlor-alkali plant during the second quarter of 2024 as noted above in the consolidated operating results section.	
Revenue	Revenue for 2025 was \$198.6 million, which was \$4.9 million higher than revenue for 2024. Excluding the impact of foreign exchange, revenue was \$3.8 million higher due to: • higher sales volumes of sodium chlorate, and • higher selling prices for caustic soda and sodium chlorate, partially offset by: • lower selling prices for chlorine. MECU netbacks decreased by approximately \$50 mainly due to lower netbacks for chlorine. Higher netbacks for caustic soda offset approximately 50% of the decrease in netbacks for chlorine.	Revenue for 2025 was \$588.1 million, which was \$25.6 million higher than revenue for 2024. Excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, revenue was \$2.9 million higher due to: • higher selling prices for caustic soda, sodium chlorate and HCl, and • higher sales volumes of sodium chlorate, partially offset by: • lower selling prices for chlorine, and • lower sales volumes of caustic soda and products at our Brazil plants. MECU netbacks increased by approximately \$85 due to higher netbacks for caustic soda and to a lesser extent, HCl. This was partially offset by lower netbacks for chlorine.

	EC OPERATING RESULTS	
	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
Adjusted EBITDA	Adjusted EBITDA for 2025 was \$93.8 million, which was \$10.8 million higher than Adjusted EBITDA for 2024. Excluding the impact of foreign exchange, Adjusted EBITDA was \$10.0 million higher primarily due to: • higher sales volumes of sodium chlorate, and • higher selling prices for caustic soda and sodium chlorate, partially offset by: • lower selling prices for chlorine. MECU netbacks decreased by approximately \$50 mainly due to lower netbacks for chlorine. Higher netbacks for caustic soda offset approximately 50% of the decrease in netbacks for chlorine.	Adjusted EBITDA for 2025 was \$274.1 million, which was \$43.5 million higher than Adjusted EBITDA for 2024. Excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, Adjusted EBITDA was \$17.2 million higher primarily due to: • higher selling prices for caustic soda, sodium chlorate and HCl, and • higher sales volumes of sodium chlorate, partially offset by: • lower selling prices for chlorine. MECU netbacks increased by approximately \$85 due to higher netbacks for caustic soda and to a lesser extent, HCl. This was partially offset by lower netbacks for chlorine.
Gross Profit	Gross profit for 2025 was \$72.7 million, which was \$9.6 million higher than gross profit for 2024. Excluding the impact of foreign exchange, gross profit was \$8.8 million higher in 2025. In addition to the factors that affected Adjusted EBITDA, gross profit was also affected by higher depreciation and amortization expense.	Gross profit for 2025 was \$208.3 million, which was \$33.3 million higher than gross profit for 2024. Excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, gross profit was \$7.3 million higher in 2025. In addition to the factors that affected Adjusted EBITDA, gross profit was also affected by higher depreciation and amortization expense.

Corporate Costs

Corporate costs include the administrative costs of corporate activities such as treasury, finance, information technology, human resources, legal and risk management, and environmental, health and safety support, which are not directly allocable to a reportable segment.

(\$'000)	<u>Three months ended</u>		<u>Nine months ended</u>	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Corporate costs (Adjusted EBITDA)	\$ (34,740)	\$ (24,136)	\$ (92,723)	\$ (76,314)

CORPORATE COSTS		
	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
Corporate costs	Corporate costs were higher primarily due to: • \$0.2 million of realized foreign exchange losses in 2025 compared to \$4.4 million of gains in 2024, • \$2.1 million higher short-term incentive compensation costs compared to 2024, • \$1.9 million higher LTIP costs, and • \$2.0 million of legal and other costs related to the Polytec acquisition.	Corporate costs were higher primarily due to: • \$4.2 million of realized foreign exchange losses in 2025 compared to \$3.2 million of gains in 2024, • \$3.4 million higher short-term incentive compensation costs compared to 2024, • \$2.8 million of legal and other costs related to the Polytec acquisition, • \$1.6 million of expenses related to the Superior lawsuit, and • \$0.7 million higher LTIP costs.
F/X Hedging	Corporate costs include gains and losses arising from Chemtrade's hedging program. Business results are presented on an unhedged basis and, in 2025, have benefited from the relative weakness of the CAD against the USD.	

Foreign Exchange

We have certain operating subsidiaries that use the USD as their functional currency. As we report in CAD, our reported net earnings are exposed to fluctuations in the CAD/USD exchange rate. If the CAD weakened by one-cent (for example, from \$1.39 to \$1.40 for US\$1.00), on an unhedged basis, this would have the impact as shown below:

Measure	Impact
Annual net earnings	+\$3.0 million
Adjusted EBITDA	+\$3.8 million
Annual distributable cash after maintenance capital expenditures	+\$2.7 million

If the CAD strengthened by one-cent, on an unhedged basis, this would have the opposite impact.

We manage our financial exposure to fluctuations in the value of the USD relative to the CAD as follows:

- a) We maintain USD denominated Credit Facilities, under which most of the borrowings are denominated in USD; and
- b) We enter into foreign exchange contracts to hedge a portion of our USD net cash flows for up to eighteen months in the future.

All foreign exchange contracts are under ISDA agreements. Contracts in place at September 30, 2025 include future contracts to sell the following amounts for periods through to June 2026:

Amount (\$'000)	Maturity	Exchange rate
US\$25,177	Q4 2025	\$1.37
US\$15,978	Q1 2026	\$1.37
US\$15,000	Q2 2026	\$1.37

The purpose of these contracts is to manage foreign exchange risk on specific transactions in a foreign currency. The amount of the related derivative is recorded at fair value at the period end and is included with prepaid expenses and other assets or trade and other payables on the Condensed Consolidated Interim Statements of Financial Position. The resultant non-cash charge or gain is included in selling and administrative expense. The impact of this non-cash charge or gain is excluded from Adjusted EBITDA and Distributable cash after maintenance capital expenditures. See [Non-IFRS and Other Financial Measures](#) on page 41.

We have hedged our investments in foreign operations that use the USD as their functional currency with our USD-denominated bank debt. As a result, any gains and losses arising from the USD-denominated debt will be offset by the foreign currency gain or loss arising from the investment in the foreign operations. The gains and losses on the translation of the designated amount of USD-denominated debt and investment in foreign operations are recognized on a net basis in other comprehensive income. The changes recorded in the accumulated other comprehensive income account since December 31, 2024 were a result of changes in the CAD/USD exchange rate between December 31, 2024 and September 30, 2025. For the three and nine months ended September 30, 2025, a foreign

exchange loss of \$1.6 million and foreign exchange gain of \$2.0 million, respectively, and during the three and nine months ended September 30, 2024 a foreign exchange gain of \$3.4 million and a foreign exchange loss of \$5.4 million, respectively, on the revaluation of the USD-denominated debt was recognized in other comprehensive income.

The rate of exchange used to translate USD-denominated balances has changed from a rate of US\$1.00 = \$1.44 at December 31, 2024 to US\$1.00 = \$1.39 at September 30, 2025. The quarterly average rate of exchange during the third quarter of 2025 was US\$1.00 = \$1.38 as compared to the same period of 2024 at US\$1.00 = \$1.36. The average rate for the nine months ended September 30, 2025 has increased from US\$1.00 = \$1.36 during the nine months ended September 30, 2024 to US\$1.00 = \$1.40 in the nine months ended September 30, 2025. See [Risks and Uncertainties](#) on MD&A on page 35 for additional comments on foreign exchange.

NET FINANCE COSTS AND INCOME TAXES

Net Finance Costs

During the three and nine months ended September 30, 2025, net finance costs were \$55.4 million and \$101.5 million compared with net finance costs of \$16.1 million and \$61.1 million during the same periods of 2024.

Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
Net finance costs were \$39.2 million higher during 2025 relative to 2024. The increase was primarily due to: • \$36.8 million of losses related to the change in fair value of Debentures in 2025 compared with gains of \$2.7 million in 2024, and • \$3.8 million of higher interest expense on long term debt, and • \$1.8 million of lower income reclassified from other comprehensive income relating to the fair value of the interest rate swaps in 2024 with no comparable reclassification in 2025, partially offset by: • \$5.3 million of lower losses related to the change in the fair value of interest rate swaps during 2025 compared with 2024.	Net finance costs were \$40.4 million higher during 2025 relative to 2024. The increase was primarily due to: • \$28.2 million of higher losses related to the change in fair value of Debentures during 2025 compared with 2024, • \$10.0 million of higher interest expense on long-term debt, • \$5.3 million of lower income reclassified from other comprehensive income relating to the fair value of the interest rate swaps in 2024 with no comparable reclassification in 2025, • \$2.6 million of interest expense related to the Superior lawsuit in 2025, and • \$0.9 million of higher accretion expense, partially offset by: • \$4.9 million lower interest on Debentures in 2025 compared to 2024, and • \$2.6 million of lower losses related to the change in the fair value of interest rate swaps during 2025 compared with 2024.

The Debentures are recognized at fair value with changes in fair value due to changes in the risk free interest rate presented in net finance costs and changes in our own credit risk presented in other comprehensive income rather than net earnings. During the three and nine months ended September 30, 2025, the fair value of the Fund's Debentures, excluding the effect of redemptions and conversions, increased by \$39.2 million and by \$53.7 million, respectively, and decreased by \$4.1 million and increased by \$13.9 million, respectively, during the same periods of 2024.

Below is an explanation of the change in the fair value of Debentures:

		Three months ended September 30,			Nine months ended September 30,		
(\$ million)	Recorded in	2025	2024	Variance	2025	2024	Variance
Decrease due to a change in risk free rate and a change in the conversion option fair value	Net finance costs	\$ 36.8	\$ (2.7)	\$ 39.5	\$ 45.0	\$ 16.8	\$ 28.2
Increase due to a change in our credit risk, net of taxes	Other comprehensive income	2.4	(1.9)	4.3	8.7	(1.4)	10.1
Tax (expense) recovery due to own credit risk	Other comprehensive income	0.0	0.5	(0.5)	0.0	(1.5)	1.5
(Decrease) increase in fair value of Debentures		\$ 39.2	\$ (4.1)	\$ 43.3	\$ 53.7	\$ 13.9	\$ 39.8

Since changes in fair value due to credit risk changes are presented in other comprehensive income, they are shown net of related taxes.

The weighted average effective annual interest rate of the Credit Facilities at September 30, 2025 was 4.7% (December 31, 2024 - 5.4%). See [Liquidity and Capital Resources - Financial Instruments](#) for information concerning swap arrangements on page 25.

Income Taxes

The Fund is a mutual fund trust and a SIFT for income tax purposes. The Fund is subject to current income taxes at the top marginal tax rate applicable to individuals of approximately 53.5% on all taxable income not distributed to Unitholders. The Fund is also subject to current income taxes on all taxable income, other than dividends, earned from Canadian corporate and flow-through subsidiaries (other than Canadian subsidiaries that earn certain investment income) at a tax rate similar to the corporate tax rate. The Fund is not subject to tax on income received from non-Canadian subsidiaries, provided that the income is distributed to Unitholders during the year. Based on the current organization of the Fund and its subsidiaries, we expect that our income distributed to Unitholders will not be subject to SIFT tax.

Taxable income distributed by the Fund to its Unitholders is considered taxable income of those Unitholders.

	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
Income taxes	Income tax expense in 2025 was \$16.4 million lower than the same period of 2024. The change was primarily due to: • lower income before tax in 2025, relative to the same period of 2024, and • deferred tax recoveries related to the recognition of previously unrecognized deferred tax assets related to certain carryforward amounts of business interest expense partially offset by: • higher amounts of deferred tax expense primarily associated with the change in fair value of the Debentures in 2025 relative to 2024.	Income tax expense in 2025 was \$22.2 million lower than the same period of 2024. The change was primarily due to: • lower income before tax in 2025 relative to the same period of 2024, primarily driven by impairment charges, • deferred tax recoveries related to the recognition of previously unrecognized deferred tax assets related to certain carryforward amounts of business interest expense, and • the impact of favourable taxable foreign exchange in Brazil and other foreign exchange translation adjustments partially offset by: • higher amounts of deferred tax expense primarily associated with the change in fair value of the Debentures in 2025 relative to 2024.

As at September 30, 2025 vs December 31, 2024	
Deferred tax assets and liabilities	Net deferred tax assets increased by \$14.0 million which was primarily due to: • an increase in deferred tax assets related to loss carryforwards available to offset future operating income, • an increase in deferred tax assets related to recognition of previously unrecognized deferred tax assets for certain carryforward amounts of business interest expense, • a decrease in deferred tax liabilities related to the impairment of certain fixed assets, • a decrease in deferred tax liabilities related to depreciation of non-deductible intangible and fixed assets, and • a decrease in deferred tax liabilities related to unrealized foreign exchange, partially offset by: • an increase in deferred tax liabilities related to certain fixed assets, and • a decrease in deferred tax assets related to the payment of the disputed termination fee related to the Superior Lawsuit.
Income taxes receivable	We made income tax payments totaling \$66.0 million in previous years to the CRA. As we are disputing the availability of certain historical Canadian tax losses with the CRA which would offset taxes in respect of 2021 to 2024, we have recorded these payments as non-current income taxes receivable in the Consolidated Statements of Financial Position. We have appealed this assessment by the CRA and the resolution of this matter in our favour would result in significant taxes paid on our account to be refunded. We believe that our asserted position is appropriate and would be sustained upon full examination by tax authorities and, if necessary, upon consideration by judicial process.

Our income tax expense for the nine months ended September 30, 2025 was \$14.5 million and the effective tax rate was 12.5%. The total income tax expense for the nine months ended September 30, 2025 includes the discrete impact of the One Big Beautiful Act (“OBBBA”) enactment and related adjustments. The effective tax rate differs from the statutory tax rate of 25.0% primarily due to the recognition of previously unrecognized deferred tax assets related to certain carryforward amounts of business interest expense resulting from the enactment of OBBBA, impacts of taxable foreign exchange in Brazil and other foreign exchange translation adjustments, and the changes in level of earnings in jurisdictions taxed at different rates, partially offset by the net deferred tax impacts associated with the change in fair value of the Debentures and the non-taxability to the Fund of the income distributed to Unitholders.

DISTRIBUTIONS

Distributions to Unitholders for the three and nine months ended September 30, 2025 were declared as follows:

Record Date	Payment Date	Distribution Per Unit ⁽¹⁾		Total (\$'000)
Three months ended September 30:				
July 31, 2025	August 29, 2025	\$	0.0575	\$ 6,492
August 29, 2025	September 29, 2025		0.0575	6,482
September 30, 2025	October 31, 2025		0.0575	6,439
Sub-total			0.1725	19,413
Three months ended June 30, 2025			0.1725	19,556
Three months ended March 31, 2025			0.1725	20,064
Total for the nine months ended September 30, 2025		\$	0.5175	\$ 59,033

⁽¹⁾ Based on actual number of units outstanding on record date.

Distributions to Unitholders, for the three and nine months ended September 30, 2024 were declared as follows:

Record Date	Payment Date	Distribution Per Unit ⁽¹⁾		Total (\$'000)
Three months ended September 30:				
July 31, 2024	August 30, 2024	\$	0.0550	\$ 6,445
August 30, 2024	September 27, 2024		0.0550	6,716
September 27, 2024	October 31, 2024		0.0550	6,688
Sub-total			0.1650	19,849
Three months ended June 30, 2024			0.1650	19,333
Three months ended March 31, 2024			0.1650	19,333
Total for the nine months ended September 30, 2024		\$	0.4950	\$ 58,515

⁽¹⁾ Based on actual number of units outstanding on record date.

Treatment of our distributions for Canadian income tax purposes for 2024 and 2025 is as follows:

	Other Income	Dividends ⁽¹⁾	Foreign Non-Business Income	Total
2024	5.3%	31.4%	63.3%	100%
2025 ⁽²⁾	0.0%	35.7%	64.3%	100%

⁽¹⁾ These dividends are not considered to be eligible dividends for Canadian resident Unitholders and therefore not eligible for the enhanced tax credit.

⁽²⁾ Represents anticipated tax characterization of planned distributions. The actual tax treatment of 2025 distributions will be determined by March 2, 2026.

CASH FLOWS

(\$'000)	<u>Three months ended</u>		<u>Nine months ended</u>	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Net cash flows from (used in):				
Operating activities	\$ 155,482	\$ 143,244	\$ 250,491	\$ 247,808
Investing activities	(40,983)	(45,610)	(142,217)	(125,085)
Financing activities	(116,278)	(116,394)	(114,675)	(128,465)
Increase (Decrease) in cash and cash equivalents	(1,779)	(18,760)	(6,401)	(5,742)
Effect of exchange rates on cash held in foreign currencies	439	(178)	(359)	553
Cash and cash equivalents, beginning of the period	20,077	35,273	25,497	21,524
Cash and cash equivalents, end of the period	\$ 18,737	\$ 16,335	\$ 18,737	\$ 16,335

Our distributions to Unitholders are sourced entirely from the Fund's investments in operating subsidiary entities. The Fund's investments are financed by trust units held by Unitholders, the Credit Facilities (see [Financing Activities](#) below), the Debentures and the Notes. Our cash flow is required to fund cash distributions to Unitholders, capital requirements, interest, general trust purposes and other legal obligations.

	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
Operating Activities	Cash flows from operating activities in the third quarter of 2025 were an inflow of \$155.5 million, compared with \$143.2 million for the same period of 2024. The increase in cash flows from operating activities of \$12.2 million was primarily due to higher Adjusted EBITDA, a decrease in working capital and lower taxes paid, partially offset by higher interest paid.	Cash flows from operating activities in 2025 were an inflow of \$250.5 million, compared with \$247.8 million for the same period of 2024. The increase in cash flows from operating activities of \$2.7 million was primarily due to higher Adjusted EBITDA partially offset by an increase in working capital and higher interest paid.

	Q3 2025 vs Q3 2024	YTD 2025 vs YTD 2024
Investing Activities	Cash flows used in investing activities totaled \$41.0 million in the third quarter of 2025, compared to \$45.6 million in the same period of 2024. Capital expenditures were \$41.0 million, down from \$45.6 million in Q3 2024. This included maintenance capital expenditures¹ of \$30.3 million in 2025 and \$26.5 million in 2024. Non-maintenance capital expenditures² were \$10.6 million in Q3 2025, compared to \$19.1 million in Q3 2024. The 2025 spending primarily supported small expansion projects of water solutions products, EC initiatives and the ultrapure sulphuric acid business. The year-over-year decrease reflects higher spending in 2024 related to the expansion of our Cairo, OH ultrapure sulphuric acid facility.	Cash flows used in investing activities were \$142.2 million for the first nine months of 2025, compared to \$125.1 million in the same period of 2024. Capital expenditures totaled \$103.1 million in 2025, down from \$125.1 million in the same period of 2024. This included maintenance capital expenditures¹ of \$74.2 million in 2025 and \$68.4 million in 2024. Non-maintenance capital expenditures² were \$28.9 million in 2025, compared to \$56.7 million in 2024. The higher spending in 2024 was primarily driven by spending on the expansion of our Cairo, OH facility. In addition, we incurred \$39.1 million in intangible asset expenditures in 2025 related to the acquisition of aluminum sulphate water treatment chemical customers from certain subsidiaries of Thatcher Group Inc. There were no comparable expenditures in 2024.
Financing Activities	Cash flows from financing activities for the third quarter of 2025 were an outflow of \$116.3 million, compared with an outflow of \$116.4 million for the same period of 2024. Increased borrowings under the revolving credit facility and lower purchases of units under the NCIB were offset by lower proceeds from the issuance of 2029 Notes and increased redemptions of Debentures. During the third quarter of 2024, \$250.0 million of 2029 Notes were issued compared to \$nil during the third quarter of 2025.	Cash flows from financing activities in 2025 were an outflow of \$114.7 million, compared with an outflow of \$128.5 million for the same period of 2024. The decrease in cash flows used in financing activities of \$13.8 million was primarily due to increased borrowings under the revolving credit facility partially offset by lower proceeds from the issuance of Notes, increased redemptions of convertible debentures and increased purchases of units for cancellation under the NCIB. During the third quarter of 2024, \$250.0 million of 2029 Notes were issued compared to \$125.0 million during 2025.

¹ Maintenance capital expenditures is a supplementary financial measure. See [Non-IFRS and Other Financial Measures](#)

² Non-maintenance capital expenditures is a supplementary financial measure. See [Non-IFRS and Other Financial Measures](#)

In January 2025, Chemtrade issued an additional \$125.0 million aggregate principal amount of 2029 Notes, resulting in an aggregate principal amount of \$375.0 million outstanding on the 2029 Notes. Chemtrade recognized transaction costs of \$2.3 million related to the issuance against the proceeds of the offering. The 2029 Notes include early redemption options allowing Chemtrade to redeem the 2029 Notes at a premium, in cash, any time prior to August 27, 2028 and at principal any time after August 28, 2028. Chemtrade recognized a derivative asset of \$1.0 million to reflect the redemption features of the 2029 Notes. Chemtrade utilized proceeds of the issuance to pay down its Credit Facilities.

In June 2024, we implemented an NCIB, under which the Fund was authorized to purchase up to 11.7 million units over a 12 month period ending June 2, 2025. Purchases of units for the first six months of 2025 were \$61.7 million, which were funded by cash flows from operations. In August 2025, the Fund commenced a new NCIB, under which the Fund is authorized to purchase up to 11.2 million of its units over a 12 month period ending August 18, 2026. Purchases of units for the third quarter of 2025 were \$12.3 million compared to \$26.4 million in the third quarter of 2024. Purchases of units were funded by cash flows from operations.

There was a net increase in borrowings from our Credit Facilities of \$32.7 million and \$47.8 million, respectively during the three and nine months ended September 30, 2025, compared with a net decrease of \$254.4 million and \$197.6 million during the comparable periods of 2024. The increase in borrowings for the third quarter of 2025 was to partially fund the redemption of the 2026 Debentures. The decrease in borrowings for the third quarter of 2024 was a result of using proceeds received from the issuance of the 2029 Notes.

Distributions paid to Unitholders during the three and nine months ended September 30, 2025 were \$19.5 million and \$59.1 million, respectively compared to \$19.6 million and \$56.6 million for the same period of 2024. The change in distributions paid for the three and nine months ended September 30, 2025 relative to 2024 was primarily due to units purchased as part of the NCIB, partially offset by units issued from conversions of Debentures and an increase in monthly distributions from \$0.0550 per unit to \$0.0575 per unit effective with the distribution declared in January 2025.

LIQUIDITY AND CAPITAL RESOURCES

Cash and Cash Equivalents

At September 30, 2025, we had cash and cash equivalents of \$18.7 million (December 31, 2024 - \$25.5 million) and a Net working capital¹ deficit of \$24.2 million (December 31, 2024 - deficit of \$106.7 million). Cash we generate will be used to fund cash distributions to Unitholders, capital requirements, interest, general trust purposes and other legal obligations.

Future Liquidity

Our future liquidity is primarily dependent on cash flows of our operating subsidiaries. These cash flows will be used to finance ongoing expenditures, including maintenance capital, growth initiatives, distributions to Unitholders and normal course financial commitments. Cash flows are sensitive to changes in volumes, sales prices and input costs and any changes in these may impact future liquidity. Management believes that cash flows from operating activities will be sufficient for us to meet future obligations and commitments that arise in the normal course of business activities. In addition, we have revolving Credit Facilities which can be used for general trust purposes, including to fund capital expenditures and growth opportunities. See [Capital Resources](#) below for more details.

Capital Resources

(\$'000)	September 30, 2025	December 31, 2024
Long-term debt ⁽¹⁾	\$ 513,562	\$ 343,295
Debentures ⁽¹⁾	239,694	340,000
Total debt ⁽²⁾	\$ 753,256	\$ 683,295

⁽¹⁾ Principal outstanding amount

⁽²⁾ Total debt is a Non-IFRS financial measure. See [Non-IFRS and Other Financial Measures](#)

At September 30, 2025, we had Credit Facilities of approximately \$835.1 million (US\$600.0 million). At September 30, 2025, we had drawn \$138.6 million on our Credit Facilities. Additionally, we had committed a total of \$23.0 million of our Credit Facilities towards standby letters of credit. At September 30, 2025, we had undrawn US\$483.9 million on our Credit Facilities.

During Q3 2024, Chemtrade closed its private offering of \$250.0 million of 2029 Notes. The 2029 Notes include early redemption options allowing Chemtrade to redeem the 2029 Notes at a premium, in cash, any time prior to August 27, 2028 and at principal any time after August 28, 2028.

In January 2025, Chemtrade issued an additional \$125.0 million aggregate principal amount of 2029 Notes, resulting in an aggregate principal amount of \$375.0 million outstanding on the 2029 Notes. Chemtrade incurred transaction costs of \$2.3 million. Chemtrade utilized the net proceeds of the issuance to reduce indebtedness under the Credit Facilities.

¹ Net working capital is a non-IFRS measure. See [Non-IFRS and Other Financial Measures](#)

On October 1, 2025, Chemtrade successfully closed its private offering of \$250.0 million of aggregate principal amount of 2032 Notes. Refer to [Recent Developments](#).

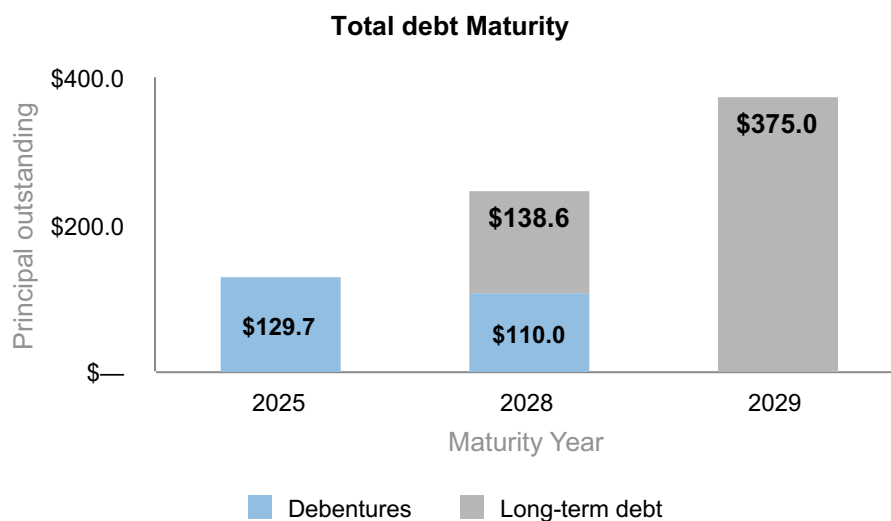
On September 22, 2025, the Fund announced that it would redeem on November 4, 2025 all of its issued and outstanding 2027 Debentures. Also on September 22, 2025, the Fund commenced an SIB, under which the Fund offered to purchase for cancellation up to all of the issued and outstanding 2027 Debentures. On September 22, 2025, the Fund also commenced a second SIB, under which the Fund offered to purchase for cancellation up to all of the issued and outstanding 2028 Debentures due June 30, 2028. Refer to [Recent Developments](#) for further details.

Our Debentures as at September 30, 2025 are described in the table below:

	Fund 2021 6.25% Debentures	Fund 2023 7.00% Debentures	Total
	(2027 Debentures)	(2028 Debentures)	
Maturity	November 4, 2025	June 30, 2028	
Interest Rate	6.25 %	7.00 %	
Principal outstanding at September 30, 2025	\$ 129.7	\$ 110.0	\$ 239.7 ⁽¹⁾
Conversion Price per unit	\$ 10.00	\$ 12.85	

⁽¹⁾ At September 30, 2025, the market value of the outstanding Debentures was \$309.9 million.

The graph below shows the maturity of our Total debt as at September 30, 2025:



Debt Covenants

Chemtrade is subject to certain covenants pursuant to its Credit Facilities, which include Net debt to EBITDA ratios and an Interest Coverage ratio (as such terms are defined in the credit agreement). The Notes are subject to customary terms, conditions and covenants. As at September 30, 2025, Chemtrade was in compliance with these debt covenants.

Financial Instruments

As of January 1, 2022, we had swap arrangements in place to fix the LIBOR components of our interest rates on US\$325.0 million of our Credit Facilities until October 2024. During the first quarter of 2022, we formally designated the interest rate swaps as cashflow hedges and changes in the fair value of the effective portion of the swaps were recognized in other comprehensive income.

During the third quarter of 2022, we de-designated our interest rate swaps and hedge accounting on these swaps was discontinued prospectively. The accumulated balance of the change in fair value of the interest rate swaps in other comprehensive income at the time the swaps were de-designated was reclassified to net earnings until October 2024. For the three and nine months ended September 30, 2025, we reclassified \$nil and \$nil (2024 - \$1.8 million and \$5.3 million, respectively) from other comprehensive income to net earnings. As a result of discontinuing hedge accounting, all subsequent changes in the fair value of the interest rate swaps are recognized in net earnings. For the three and nine months ended September 30, 2025, we recognized a loss of \$0.8 million and \$4.3 million (2024 - a loss of \$6.0 million and \$6.8 million, respectively) in net earnings relating to the changes in the fair value of the swaps.

During the first quarter of 2024, we blended and extended our existing US\$175.0 million and US\$150.0 million interest rate swaps on our outstanding long-term debt. Effective January 24, 2024, the terms of these swaps were extended until December 2026 to align with the maturity date of our long-term debt and the aggregate amount of the swap was reduced to US\$175.0 million. As a result of the extension, we presented the fair value relating to the interest rate swap in Other assets under non-current assets in the Condensed Consolidated Interim Statements of Financial Position.

We hedge our investment in foreign operations that use the USD as their functional currency with our USD-denominated bank debt. Any foreign currency gains and losses arising from the USD-denominated bank debt will be offset by the foreign currency gain or loss arising from the investment in the foreign operations. The gains and losses on the foreign currency translation of the designated amount of USD-denominated debt and investment in foreign operations are recognized in other comprehensive income.

We have entered into cash-settled unit swap arrangements which fix the unit price on a portion of the RSU and PSU components of our LTIP awards and a portion of the deferred units awarded under the DUP. During the first quarter of 2024, we rolled over the hedged units maturing on March 31, 2024, into 2025, 2026 and 2027. During the first quarter of 2025, we rolled over the hedged units maturing on March 31, 2025, into 2026, 2027 and 2028. The RSU component of the LTIP awards is a phantom plan which is payable in cash at the end of the performance period.

The PSU component of the LTIP awards gives a right to the participants to receive cash payments upon the achievement of performance goals during the performance periods. As at September 30, 2025, the notional number of units hedged was 2.7 million (December 31, 2024 - 2.5 million) with maturity dates ranging between March 2026 and March 2028. Distributions on the hedged units are notionally reinvested in these swap arrangements. These RSU and PSU swaps are formally designated as cash flow hedges at the date of inception and any changes in the fair value of the unvested portion of the RSU and PSU hedges are recognized in other comprehensive income. However, the swaps which fix the unit price on deferred units are not formally designated as cash flow hedges and any changes in the fair value of the deferred units swaps are recognized in net earnings. As at September 30, 2025, the notional number of units not designated as hedges was 0.7 million (December 31, 2024 - 0.7 million) maturing in March 2026.

FINANCIAL CONDITION REVIEW

The Consolidated Statements of Financial Position contain certain categories as set out below. Since December 31, 2024, there have been material variances in these categories, which are explained below.

(\$'000)	September 30, 2025	December 31, 2024	\$ Change	% Change
ASSETS				
Trade and other receivables	180,719	148,085	32,634	22
LIABILITIES and UNITHOLDERS' EQUITY				
Provisions	13,078	49,265	(36,187)	(73)
Convertible unsecured subordinated debentures	309,935	356,596	(46,661)	(13)
Long-term debt	504,673	336,250	168,423	50
Contributed surplus	47,136	26,384	20,752	79
Accumulated other comprehensive income	225,873	257,714	(31,841)	(12)

Trade and other receivables	Increase is primarily due to increased revenue in Q3 2025 compared with Q4 2024.
Provisions	The decrease is primarily due to payment of legal provisions related to the Superior lawsuit of \$28.1 million. The remaining decrease was mainly driven by environmental and decommissioning spending during 2025.
Convertible unsecured subordinated debentures	Decrease is primarily due to the redemption of the 2026 Debentures. This was partially offset by an increase in fair value of our remaining Debentures.
Long-term debt	Increase is primarily to fund the acquisition of intangible assets from Thatcher Group Inc. and the redemption of the 2026 Debentures in 2025.
Contributed Surplus	Increase is primarily due to the difference in the book value of our average unit price compared to the price paid under the NCIB net of unit buy-back tax.
Accumulated other comprehensive income	Decrease is primarily due to the change in the foreign exchange rates on our foreign operations, partially offset by changes in the net investment hedge of foreign operations.

SUMMARY OF QUARTERLY RESULTS

(\$ millions)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Revenue	\$ 532.8	\$ 496.7	\$ 466.3	\$ 446.5	\$ 474.1	\$ 448.1	\$ 418.2	\$ 422.0
Cost of sales and services	(390.9)	(368.5)	(362.2)	(347.9)	(348.9)	(339.5)	(320.2)	(359.9)
Gross profit	141.9	128.2	104.1	98.6	125.2	108.6	98.0	62.1
Selling and administrative expenses:								
Unrealized foreign exchange gain (loss)	(0.6)	7.6	6.0	(21.4)	1.3	(2.1)	(5.2)	8.2
Realized foreign exchange gain (loss)	—	0.4	(4.4)	(5.0)	2.2	(3.5)	(1.4)	0.7
LTIP	(11.2)	(5.7)	(2.8)	(4.5)	(9.3)	(6.0)	(3.6)	(5.2)
Other	(34.8)	(36.4)	(31.7)	(34.9)	(29.4)	(32.5)	(28.0)	(34.6)
Total selling and administrative expenses	(46.6)	(34.1)	(32.9)	(65.8)	(35.2)	(44.1)	(38.2)	(30.9)
Gain on disposal of assets	—	—	—	—	—	—	—	24.3
Impairment of Joint Venture	—	—	—	(3.8)	—	—	—	—
Impairment of PPE	—	(43.5)	—	—	—	—	—	—
Operating income	95.2	50.5	71.2	29.0	90.0	64.5	59.8	55.5
Net finance costs:								
Change in fair value of Debentures	(36.8)	(17.2)	9.0	(1.8)	2.7	(26.0)	6.6	(19.2)
Income reclassified from other comprehensive income	—	—	—	0.9	1.8	1.8	1.8	1.8
Change in the fair value of interest rate swaps	(0.8)	(1.4)	(2.1)	2.9	(6.0)	(0.1)	(0.7)	(5.7)
Interest on Superior lawsuit	—	—	(2.6)	—	—	—	—	—
Other	(17.8)	(17.0)	(14.8)	(13.5)	(14.6)	(15.0)	(13.3)	(10.6)
Total net finance (costs) income	(55.4)	(35.6)	(10.5)	(11.5)	(16.1)	(39.3)	(5.6)	(33.7)
Income tax expense	2.5	(5.3)	(11.6)	(7.2)	(13.8)	(10.6)	(12.2)	(10.1)
Net earnings	\$ 42.3	\$ 9.6	\$ 49.1	\$ 10.3	\$ 60.1	\$ 14.6	\$ 42.0	\$ 11.7
Adjusted EBITDA	\$ 151.2	\$ 138.0	\$ 120.1	\$ 108.6	\$ 137.2	\$ 115.1	\$ 109.9	\$ 84.6
Net earnings per unit	\$ 0.38	\$ 0.09	\$ 0.42	\$ 0.09	\$ 0.51	\$ 0.12	\$ 0.36	\$ 0.10
Diluted net earnings per unit	\$ 0.38	\$ 0.09	\$ 0.30	\$ 0.09	\$ 0.40	\$ 0.12	\$ 0.25	\$ 0.10

Below are some of the key items that had a significant impact on financial results over the last eight quarters.

Revenue and Gross Profit

Gross profit for the third quarter of 2025 increased compared to the same period in 2024, primarily driven by higher selling prices and volumes for merchant acid, regen acid, water solutions products and sulphur products in the SWC segment, higher sales volumes of sodium chlorate in the EC segment, and higher selling prices for caustic soda and sodium chlorate in the EC segment. Gross profit for the second quarter of 2025 increased compared to the same period in 2024, primarily driven by higher selling prices for caustic soda, HCl, and sodium chlorate within the EC segment, as well as increased chlorine sales volumes. The improvement also reflects the negative impact of the North Vancouver maintenance turnaround in 2024. These gains were partially offset by lower sodium chlorate sales volumes and reduced chlorine selling prices in the EC segment, along with lower margins in the SWC segment, as higher selling prices for Regen acid were more than offset by increased input costs and higher maintenance turnaround expenses. Gross profit for the first quarter of 2025 relative to 2024 was higher primarily due to higher selling prices and volumes of water solutions products, merchant acid and Regen in the SWC segment, higher selling prices for caustic soda, HCl and sodium chlorate in the EC segment, partially offset by lower sales volumes of caustic soda, lower sales volumes and lower selling prices for chlorine, and lower revenue in Brazil in the EC segment. Gross profit for the last three months of 2024 was higher relative to the same period of 2023 due to an improvement in margins for water solutions products and sodium nitrite as well as higher selling prices for caustic soda, sodium chlorate and HCl, partially offset by lower sales volumes of sodium chlorate. Gross profit for the third quarter of 2024 was negatively affected by the work stoppage at Canadian railways. Gross profit for the second quarter of 2024 was also negatively affected by the impact of the maintenance turnaround at North Vancouver.

Selling and Administrative Expenses

The change in fair value of our LTIP obligation recorded in any quarter depends on changes in the various factors used in arriving at the fair value of the obligation. In addition, changes in foreign exchange gains and losses are also included in Selling and Administrative Expenses and are subject to changes in foreign exchange rates.

Net Finance Costs

Net finance costs include changes in the fair value of the Debentures. The amount recorded in any quarter related to the fair value adjustments on the Debentures fluctuates depending upon the market value of the Debentures at the end of the period. The primary component of other net finance costs is interest from our Credit Facilities, Notes and Debentures.

OUTSTANDING SECURITIES OF THE FUND

As at November 10, 2025 and September 30, 2025, the following units and securities convertible into our units were issued and outstanding:

	Maturity	November 10, 2025		September 30, 2025	
		Convertible Securities	Units	Convertible Securities	Units
Units outstanding			115,726,030		111,984,430
2027 Debentures ⁽¹⁾	November 4, 2025	—	—	129,694	12,969,400
2028 Debentures ⁽²⁾	June 30, 2028	27,542	2,143,346	110,000	8,560,311
Units outstanding and issuable upon conversion of Debentures			117,869,376		133,514,141
Deferred units plan ⁽³⁾⁽⁴⁾		\$ 10,446	738,789	\$ 9,884	735,391
Units outstanding and issuable upon conversion of Debentures and Deferred units			118,608,165		134,249,532

⁽¹⁾ Convertible at \$10.00 per unit

⁽²⁾ Convertible at \$12.85 per unit

⁽³⁾ Based on \$14.14 and \$13.44, the closing price of a unit on the TSX on November 10, 2025 and September 30, 2025, respectively

⁽⁴⁾ 261,211 and 264,609 deferred units were available for future grants as at November 10, 2025 and September 30, 2025, respectively

CONTRACTUAL OBLIGATIONS

Information concerning contractual obligations at September 30, 2025 is shown below:

Contractual Obligations (\$'000)	Total	Less Than 1 Year	2-3 Years	4-5 Years	After 5 Years
Long-term debt	\$ 513,562	\$ —	\$ —	\$ 513,562	\$ —
Debentures (Principal)	239,694	129,694	110,000	—	—
Purchase commitments	34,129	27,711	6,418	—	—
Interest on Debentures	21,936	8,477	13,459	—	—
Interest on long-term debt	115,849	30,472	63,119	22,258	—
Lease payments	279,721	69,417	117,754	55,702	36,848
Trade and other payables	322,167	322,167	—	—	—
Distributions payable	6,439	6,439	—	—	—
Total contractual obligations	\$ 1,533,497	\$ 594,377	\$ 310,750	\$ 591,522	\$ 36,848

2025 FINANCIAL OUTLOOK AND VISION 2030

2025 Guidance

Although global trade tensions were prevalent through 2025 and still persist, Chemtrade's business has shown resilience and continues to deliver strong results with market conditions for our products remaining favourable. This outlook along with our focus on operational and commercial excellence allows us to raise our Adjusted EBITDA guidance for 2025. We now anticipate that 2025 will be a record year, surpassing 2023, when we generated Adjusted EBITDA of \$502.6 million. The updated guidance excludes earnings from Polytec as timing of closing the acquisition is uncertain (refer to [Recent Developments](#)) and it is not expected to have a material impact on Adjusted EBITDA for 2025. Based on our guidance assumptions, including the anticipated spending on growth capital expenditures and capital allocation, Chemtrade's implied Payout ratio⁽¹⁾ for 2025 mid-point guidance is approximately 37% or less.

Achieving our revised 2025 guidance would make 2025 the highest annual Adjusted EBITDA in our history. This level of Adjusted EBITDA reinforces the significant step-change in Chemtrade's Adjusted EBITDA and cash flow generation compared to pre-pandemic levels as it would be the fourth consecutive year at the higher level of Adjusted EBITDA.

(\$ million)	Revised 2025 Guidance	Prior 2025 Guidance	2024 Actual	Nine months ended Actual	
				September 30, 2025	September 30, 2024
Adjusted EBITDA	> \$502.6	\$475.0 - \$500.0	\$470.8	\$409.2	\$362.2
Maintenance capital expenditures ⁽¹⁾	\$115.0 - \$125.0	\$100.0 - \$120.0	\$104.5	\$74.2	\$68.4
Growth capital expenditures ⁽¹⁾	\$40.0 - \$50.0	\$40.0 - \$60.0	\$81.3	\$28.9	\$56.7
Lease payments	\$65.0 - \$75.0	\$65.0 - \$75.0	\$65.4	\$52.1	\$48.2
Cash interest ⁽¹⁾	\$50.0 - \$60.0	\$50.0 - \$60.0	\$45.7	\$41.9	\$35.0
Cash tax ⁽¹⁾	\$40.0 - \$50.0	\$40.0 - \$50.0	\$42.1	\$29.7	\$37.0

⁽¹⁾ 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](#) on page 41.

Key Assumptions	Revised 2025 Assumptions	Prior 2025 Assumptions	2024 Actual	2023 Actual
Approximate North American MECU sales volumes	173,000	177,000	172,000	181,000
2025 realized MECU netback being higher than 2024 (per MECU)	CAD \$70	CAD \$60	N/A	N/A
Average CMA NE Asia Caustic spot price index per tonne ⁽¹⁾	US\$435	US\$440	US\$385	US\$455
Approximate North American production volumes of sodium chlorate	272,000	270,000	270,000	283,000
USD to CAD average foreign exchange rate	1.390	1.380	1.370	1.349
LTIP costs (in millions)	\$20.0 - \$25.0	\$15.0 - \$20.0	\$23.3	\$17.3

⁽¹⁾ The average CMA NE Asia Caustic spot price for 2025, 2024 and 2023 is the average spot price of the four quarters ending with the third quarter of that year as the majority of our pricing is based on a one quarter lag.

¹ Payout ratio is a non-IFRS financial measure. See [Non-IFRS and Other Financial Measures](#)

Chemtrade Vision 2030

Earlier this year, we shared *Chemtrade Vision 2030* and the acquisition of Polytec is an important step towards achieving the targets outlined in our Vision 2030. One of the key aspects of *Chemtrade Vision 2030* is to grow mid-cycle annual Adjusted EBITDA to between \$550.0 million and \$600.0 million by 2030. We expect to achieve this by continuing to focus on operational and commercial excellence, as well as pursuing organic and external growth. This improvement in Adjusted EBITDA, along with our commitment to returning capital to unitholders while maintaining a prudent balance sheet, is expected to deliver compelling unitholder value.

Update on Organic Growth Projects

We remain focused on our long-term objective of delivering sustained earnings growth and generating value for investors. To achieve this, we have identified various organic growth initiatives. In 2025, we plan to invest between \$40.0 million and \$50.0 million in growth capital expenditures, which includes expansions of water treatment chemicals, upgrades to ultrapure sulphuric acid production and other organic growth projects.

Construction and the start-up process of the Cairo, Ohio ultrapure acid project is now complete with Chemtrade achieving higher quality and purity acid grades as it progresses through certification with major customers. Commercial ramp up is expected during 2026.

Construction on the Augusta, Georgia water products plant is expected to complete in early Q1 2026 with production start-up to follow.

Capital Allocation Update

During the first six months of 2025, Chemtrade purchased approximately 6.1 million units as part of an NCIB. Chemtrade acquired 11.2 million units of the approximately 11.7 million authorized under the NCIB which expired in June 2025. During the third quarter of 2025, Chemtrade implemented a new NCIB under which we are authorized to purchase up to 11.2 million units over a 12 month period ending August 18, 2026. As of September 30, 2025, approximately 1.0 million units were purchased as part of the NCIB.

Purchases of units are effected through the facilities of the TSX and/or alternative Canadian trading systems and are made by means of open market transactions, or such other means as may be permitted by the TSX, including block purchases of units, at prevailing market rates. The timing and amount of any purchases are subject to management's discretion.

Distributions declared in the third quarter of 2025 totaled \$0.1725 per unit, comprised of monthly distributions of \$0.0575 per unit. This distribution remains well-covered by Chemtrade's cash flow generation, with a Payout Ratio in the third quarter of 2025 of 25% and a Payout Ratio for nine months ending September 30, 2025 of 28%.

In January 2025, Chemtrade issued an additional \$125.0 million aggregate principal amount of 2029 Notes, resulting in an aggregate principal amount of \$375.0 million outstanding on the 2029 Notes. The Fund incurred transaction costs of \$2.3 million. The Fund utilized the net proceeds of the issuance to reduce indebtedness under the Credit Facilities. On October 1, 2025, Chemtrade successfully closed a private offering of \$250.0 million of aggregate principal amount of 5.750% Notes due October 1, 2032. Refer to [Recent Developments](#).

On September 22, 2025, Chemtrade announced that it will redeem on November 4, 2025 all of its issued and outstanding 6.25% convertible unsecured subordinated debentures due August 31 2027. Also on September 22, 2025, the Fund commenced a substantial issuer bid (SIB), under which it offered to purchase for cancellation up to all of the issued and outstanding 2027 Debentures. On September 22, 2025, the Fund also commenced a second SIB, under which it offered to purchase for cancellation up to all of the issued and outstanding 7.00% convertible unsecured subordinated debentures due June 30, 2028. Refer to [Recent Developments](#) for further details.

RISKS AND RISK MANAGEMENT

There are a number of risks and uncertainties that warrant additional disclosure which are discussed in detail in our annual MD&A for the year ended December 31, 2024. There have been no material changes to our business that require an update to the discussion of these risks and uncertainties.

SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Condensed Consolidated Interim Financial Statements in conformity with IFRS requires management to make judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant judgments

Information about judgments that have a significant risk of resulting in a material adjustment within the next financial year are discussed in detail in our MD&A for the year ended December 31, 2024. There have been no material changes to our business that require an update to the discussion of these significant judgments.

Key Sources of Estimation Uncertainty

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are discussed in detail in our MD&A for the year ended December 31, 2024. There have been no material changes to our business that require an update to the discussion of these sources of estimation uncertainty.

STANDARDS AND INTERPRETATIONS

(a) Standards and interpretations adopted during the period:

Chemtrade adopted the following accounting amendment that was effective for its interim and annual consolidated financial statements beginning January 1, 2025. Adoption did not have a material impact on our financial results:

- Amendments to IAS 21, *Lack of exchangeability*, specifying how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking (effective for annual periods beginning on or after January 1, 2025).

(b) Standards and interpretations not yet adopted:

IASB has issued the following new standards and amendments to existing standards that will become effective in future years:

- Amendments to IFRS 10, and IAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, addressing the conflict in dealing with the sale or contribution of assets between an investor and its associate or joint venture (deferred indefinitely with an option of early adoption).
- IFRS 18, *Presentation and Disclosure in Financial Statements*, specifying the requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements, would supersede IAS 1, "Presentation of Financial Statements" and increase the comparability of financial statements by enhancing principles on aggregation and disaggregation (effective for annual periods beginning on or after January 1, 2027).
- Amendments to IFRS 9 and IFRS 7, *Classification and measurement of financial instruments*, specifying how an entity should classify some financial assets, especially on the recognition of financial assets and liabilities when settled using electronic payments (effective for annual periods beginning on or after January 1, 2026).

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

We maintain a set of disclosure controls and procedures designed to ensure that information required to be disclosed in the reports that the Fund publicly files is recorded, processed, summarized and reported within a timely manner and that such information is accumulated and communicated to our Management, including our CEO and CFO, as appropriate, to allow timely decisions regarding disclosure. Our CEO and CFO have evaluated our disclosure controls procedures as of September 30, 2025 through inquiry and review. Our CEO and CFO have concluded that, as at September 30, 2025, our design and implementation of the controls were effective.

We also maintain a system of internal controls over financial reporting designed under the supervision of our CEO and CFO to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Our Management, including our CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting and evaluating its effectiveness. Management has used the COSO framework (2013) to evaluate the effectiveness of our internal control over financial reporting as of September 30, 2025. There have been no changes to the design of internal controls over financial reporting that occurred during the three and six months ended September 30, 2025 that have materially affected or are reasonably likely to materially affect the internal controls over financial reporting.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A includes statements and information about our expectations for the future. When we talk about strategy, risks, plan and future financial and operating performance, or other things that have not taken place, we are making statements that are considered forward-looking information or forward-looking statements under Canadian securities laws, including the Securities Act (Ontario).

Key things to understand about the forward-looking information in this MD&A:

- It typically includes words about the future, such as anticipate, continue, estimate, expect, expected, intend, may, will, intend, project, plan, should, believe and others (see examples below).
- It represents our current views, and can change significantly.
- It is based on a number of material assumptions, including those we have listed below, which may prove to be incorrect.
- Actual results and events may be significantly different from what we expect, due to the risks associated with our business. We recommend you review other parts of this document, including [Risks and Risk Management](#), which starts on page 35, which includes a discussion of material risks that could cause actual results to differ significantly from our current expectations.

Forward-looking information is designed to help you understand management's current views of our near and longer-term prospects, and it may not be appropriate for other purposes. We will not necessarily update this information unless we are required to by securities laws.

Examples of forward-looking information in this MD&A

This MD&A contains statements about our future expectations for:

- our expectation that based on the current organization of the Fund and its subsidiaries that our income distributed will not be subject to SIFT tax;
- our expectation that 2025 Adjusted EBITDA will be higher than \$502.6 million;
- our expectation that 2025 Adjusted EBITDA will be the highest annual Adjusted EBITDA since Chemtrade's inception;
- our expectation that Chemtrade Vision 2030 will achieve strong total unitholder returns, and that it will be supported by 5-10% annual growth in Chemtrade's mid-cycle annual Adjusted EBITDA and Distributable cash after maintenance capital expenditures, disciplined capital allocation, and a continued focus on high-return growth investments;
- our ability to grow our mid-cycle annual Adjusted EBITDA to between \$550 million and \$600 million by 2030;
- our ability to obtain the necessary regulatory approvals, fulfill the customary closing conditions and to close the acquisition of Polytec, Inc., and the timing thereof;
- the effect of changes in exchange rates and our ability to offset U.S.-dollar denominated debt;
- our ability to access tax losses and tax attributes;
- the deductibility of certain tax losses and outcome of our appeal;
- the tax characterization of planned distributions;
- sources, use, availability and sufficiency of cash flows;
- statements in the Financial Outlook section, including:

- our expected Adjusted EBITDA guidance to be higher than \$506.2 million,
- our expected implied Payout ratio for 2025 of approximately 37% or less,
- our expectation to achieve the highest annual Adjusted EBITDA in Chemtrade's history,
- the expected range of maintenance capital and growth capital expenditures, lease payments, cash interest, and cash tax,
- our ability to achieve the objectives of Chemtrade Vision 2030, namely:
 - our ability to improve mid-cycle annual Adjusted EBITDA by approximately \$160 million,
 - our intention to continue to focus on operational and commercial excellence, as well as pursue organic and external growth,
 - our expectation that our commitment to returning capital to unitholders while maintaining a prudent balance sheet will deliver compelling unitholder value,
- our intention to invest between \$40.0 million and \$50.0 million in growth capital expenditures and its allocation among water treatment chemicals expansions, ultrapure sulphuric acid production upgrades, and other organic growth projects;
- the expected timing of commercial ramp-up of the Cairo project;
- the effectiveness of disclosure controls procedures and of their design and implementation; and
- long-term incentive compensation amounts.

Material assumptions

The forward-looking information contained in this MD&A includes the following material assumptions, among others:

- the timing and completion of the Redemption
- the timely receipt of required regulatory approvals
- certain key elements as set out in the Financial Outlook section, including:
 - the stated North American MECU sales volumes and sodium chlorate production volumes,
 - 2025 realized MECU netback being higher than 2024 by the stated amount,
 - the stated average CMA NE Asia caustic spot price index,
 - the stated U.S. dollar foreign exchange rate, and
 - the stated range of LTIP costs.

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 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 section outlines 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 flows from operating activities less lease payments net of sub-lease receipts, maintenance capital expenditures incurred, including unpaid amounts, 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.

(\$'000)	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Cash flows from operating activities	\$ 155,482	\$ 143,244	\$ 250,491	\$ 247,808
(Less) Add:				
Lease payments net of sub-lease receipts	(17,217)	(16,430)	(52,109)	(48,237)
(Decrease) Increase in working capital	(30,921)	(29,680)	78,018	42,983
Changes in other items ⁽¹⁾	785	(4,718)	9,133	(529)
Maintenance capital expenditures	(30,341)	(26,477)	(74,202)	(68,419)
Distributable cash after maintenance capital expenditures	\$ 77,788	\$ 65,939	\$ 211,331	\$ 173,606
Divided by:				
Weighted average number of units outstanding	112,651,485	118,769,869	114,402,401	117,696,867
Distributable cash after maintenance capital expenditures per unit	\$ 0.6905	\$ 0.5552	\$ 1.8473	\$ 1.4750
Distributions declared per unit	\$ 0.1725	\$ 0.1650	\$ 0.5175	\$ 0.4950
Payout ratio (%)	25 %	29 %	28 %	33 %

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

Excess cash flows and net earnings over distributions paid

Most directly comparable IFRS financial measures: Cash flows from operating activities and net earnings (loss)

Definition: Excess cash flows over distributions paid is calculated as cash flows from operating activities less cash distributions paid. Excess earnings over distributions paid is calculated as net earnings (loss) less cash distributions paid.

Why we use the measure and why it is useful to investors: We consider the amount of cash generated by the business in determining the amount of distributions available for payment to our Unitholders. In general, we do not take into account quarterly working capital fluctuations as these tend to be temporary in nature. We do not generally consider net earnings in setting the level of distributions as this is a non-cash metric and is not reflective of the level of cash flow that we can generate. This divergence is particularly relevant for us as we have a relatively high level of depreciation and amortization expense, foreign exchange gains and losses, and deferred tax expense and recovery.

(\$'000)	<u>Three months ended</u>		<u>Nine months ended</u>	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Cash flows from operating activities	\$ 155,482	\$ 143,244	\$ 250,491	\$ 247,808
Net earnings	\$ 42,373	\$ 60,080	\$ 101,138	\$ 116,634
Cash distributions paid during period	\$ 19,466	\$ 19,605	\$ 59,142	\$ 56,641
Excess of cash flows from operating activities over cash distributions paid	\$ 136,016	\$ 123,639	\$ 191,349	\$ 191,167
Excess of net earnings over cash distributions paid	\$ 22,907	\$ 40,475	\$ 41,996	\$ 59,993

Total debt

Most directly comparable IFRS financial measure: Total long-term debt and Debentures.

Definition: Total debt is calculated as the principal value of long-term debt and the principal value of Debentures.

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

Net debt

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

Definition: Net debt is calculated as the principal 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.

(\$'000)	September 30, 2025		December 31, 2024	
Long-term debt ⁽¹⁾	\$	513,562	\$	343,295
Add (Less):				
Debentures ⁽¹⁾		239,694		340,000
Long-term lease liabilities		145,469		148,268
Lease liabilities ⁽²⁾		61,149		58,145
Cash and cash equivalents		(18,737)		(25,497)
Net debt	\$	941,137	\$	864,211

⁽¹⁾ Principal outstanding amount

⁽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 a joint venture. These include unpaid amounts at each reporting period.

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)	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Capital expenditures	\$ 40,983	\$ 45,610	\$ 103,076	\$ 125,085
Maintenance capital expenditures	(30,341)	(26,477)	(74,202)	(68,419)
Non-maintenance capital expenditures	10,642	19,133	28,874	56,666
Growth capital expenditures	\$ 10,642	\$ 19,133	\$ 28,874	\$ 56,666

Net working capital

Most directly comparable IFRS financial measure: Current assets less current liabilities

Definition: Net working capital is calculated as current assets less current liabilities excluding Debentures.

Why we use the measure and why it is useful to investors: Although the Debentures are presented as current liabilities, management views the Debentures as non-current liabilities for purposes of managing liquidity and working capital. The Debenture holders do not have the right to demand their repayment prior to their maturity date, which for all the outstanding series of the Debentures is more than one year in the future. Net working capital provides investors with more useful information related to how we manage working capital.

(\$'000)	September 30, 2025	December 31, 2024
Current assets	\$ 378,666	\$ 334,701
Less: Current liabilities	(712,768)	(798,002)
Working capital (deficit)	(334,102)	(463,301)
Add: Debentures	309,935	356,596
Net working capital (deficit)	\$ (24,167)	\$ (106,705)

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):

(\$'000)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Net earnings	\$ 42,373	\$ 9,696	\$ 49,069	\$ 10,274	\$ 60,080	\$ 14,599	\$ 41,955	\$ 11,677
Add (less):								
Depreciation and amortization	54,802	54,004	53,483	49,929	45,503	48,223	44,890	57,423
Net finance costs	55,385	35,596	10,526	11,501	16,149	39,268	5,642	33,716
Income tax expense (recovery)	(2,541)	5,353	11,674	7,250	13,809	10,619	12,244	10,121
Impairment in PPE	—	43,484	—	—	—	—	—	—
Impairment of joint venture	—	—	—	3,834	—	—	—	—
Change in environmental and decommissioning liability	(138)	(1,686)	1,303	(1,116)	2,410	(1,494)	(730)	9,842
Net (gain) loss on disposal and write-down of PPE	768	(827)	(15)	5,488	521	1,782	711	(5,547)
Gain on disposal of assets	—	—	—	—	—	—	—	(24,337)
Unrealized foreign exchange (gain) loss	550	(7,639)	(5,983)	21,433	(1,319)	2,115	5,222	(8,247)
Adjusted EBITDA	\$ 151,199	\$ 137,981	\$ 120,057	\$ 108,593	\$ 137,153	\$ 115,112	\$ 109,934	\$ 84,648

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 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.

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. These include unpaid amounts at each reporting period.

Non-maintenance capital expenditures

Represents capital expenditures, including unpaid amounts, 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 the interest expense on long-term debt, interest on Debentures, pension interest expense and interest income.

Cash tax

Represents current income tax expense.

TERMS AND DEFINITIONS

Terms

AB	Alberta
AI	Artificial Intelligence
AIF	Annual Information Form
AOCI	Accumulated Other Comprehensive Income
AZ	Arizona
BC	British Columbia
BEAT	Base Erosion and Anti-Abuse Tax
Board	Board of Trustees
CAD	Canadian Dollar
Canadian railways	Canadian Pacific Kansas City Ltd and Canadian National Railway
CANEXUS	Canexus Corporation
CEO	Chief Executive Officer
CA	California
CMA	Chemical Market Analytics by OPIS, a Dow Jones Company (formerly IHS Markit Base Chemical)
CORRA	Canadian Overnight Repo Rate Average
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CFO	Chief Financial Officer
CGU	Cash Generating Unit
CRA	Canada Revenue Agency
DRIP	Distribution Reinvestment Plan
DUP	Deferred Unit Plan
ESG	Environmental, Social and Governance
FEED	Front End Engineering Design
GA	Georgia
HCl	Hydrochloric acid
IASB	International Accounting Standards Board
ISDA	International Swap and Derivatives Association
LIBOR	London Interbank Offered Rate
LTIP	Long Term Incentive Plan
LTM	Last Twelve Months
MB	Manitoba
MECU	MECU is a Metric Electrochemical Unit, consisting of 1.0 tonne of chlorine and 1.1 tonnes of caustic soda
MT	Metric Tonne
NATO	North American Terminal Operations
NCIB	Normal Course Issuer Bid
NE	Northeast
OK	Oklahoma
OH	Ohio
PPE	Property, Plant and Equipment

PSU	Performance Share Unit
Q1	First Quarter or three months ended March 31
Q2	Second Quarter or three months ended June 30
Q3	Third Quarter or three months ended September 30
Q4	Fourth Quarter or three months ended December 31
QC	Quebec
Regen	Regenerated Acid Services
ROU	Right-of-use
RSU	Restricted Share Unit
SIB	Substantial Issuer Bid
SOFR	Secured Overnight Financing Rate
SIFT	Specified investment flow-through trust
SUPERIOR	Superior Plus Corporation
TSX	Toronto Stock Exchange
TX	Texas
USD	U.S. Dollar
WA	Washington

Definitions

Credit Facilities	Revolving credit facilities
Debentures	We have \$129.7 million principal amount of 6.25% of convertible unsecured subordinated debentures outstanding (the "2027 Debentures") and \$110.0 million principal amount of 7.00% of convertible unsecured subordinated debentures outstanding (the "2028 Debentures") as at September 30, 2025.
KPCT joint venture	KPCT Holdings LLC, a joint venture between Chemtrade Advanced Chemicals LLC and KPPC Advanced Chemicals Inc. and/or its operating subsidiary, KPCT Advanced Chemicals LLC.
LTIP costs	Corporate costs include LTIP expense, which relate to the 2023 - 2025, 2024 - 2026 and 2025 - 2027 LTIPs which we operate and pursuant to which we grant cash awards based on certain criteria. The 2023 - 2025 LTIP payout is payable in the first quarter of 2026. The 2024 - 2026 LTIP payout is payable in the first quarter of 2027. The 2025 - 2027 LTIP payout is payable in the first quarter of 2028. The LTIP awards have a performance based PSU component and a RSU component. The performance based PSU component of 2023 – 2025 LTIP awards is based on return on investment capital improvement and total return to Chemtrade's Unitholders relative to the total return of companies comprising the S&P/TSX Dividend Composite Index. The performance based PSU component of 2024 – 2026 and 2025 – 2027 LTIP awards is based on return on investment capital improvement and total return to our Unitholders relative to two peer groups which are S&P/TSX Dividend Composite Index and a group of peer companies selected by us. Total Unitholder return consists of changes in unit price and distributions paid to Unitholders over the course of the performance periods. The performance based PSU component under the 2023 - 2025 and 2024 - 2026 LTIP awards is also adjusted for achievement of ESG goals to be achieved by the end of the performance periods. The RSU and PSU components of the LTIP awards are both phantom plans which are payable in cash at the end of the performance period. The nature of these calculations makes it difficult to forecast the amount of LTIP expense that will be recorded in any period, as it is based upon a valuation model which considers several variables.
2029 Notes	The 6.375% senior unsecured notes due on August 28, 2029 (the "2029 Notes"). At December 31, 2024, we had \$250.0 million principal amount of 2029 Notes outstanding. In January 2025, we issued an additional \$125.0 million principal amount of 2029 Notes. As of November 10, 2025 we had a total of \$375.0 million principal amount of 2029 Notes outstanding.
2032 Notes	The 5.75% senior unsecured notes due on October 1, 2032 (the "2032 Notes"). As at November 10, 2025 we had a total of \$250.0 million principal amount of 2032 Notes outstanding.
Notes	The 2029 Notes and the 2032 Notes.

OTHER

Additional information concerning Chemtrade, including the AIF, is filed on SEDAR+ and can be accessed at www.sedarplus.com.

November 11, 2025