



NEWS RELEASE

CHEMTRADE LOGISTICS INCOME FUND ISSUES 2026 GUIDANCE AND RAISES MONTHLY DISTRIBUTIONS

TORONTO, Ontario, January 8, 2026 – Chemtrade Logistics Income Fund (TSX: CHE.UN) (“Chemtrade”) today issued 2026 Guidance and increased its monthly distributions to unitholders.

2026 Guidance

(\$ million)	2026 Guidance	2025 Guidance Updated in Q4	2024 Actual
Adjusted EBITDA ⁽¹⁾	\$485.0 - \$525.0	>\$502.6	\$470.8
Maintenance capital expenditures ⁽¹⁾	\$120.0 - \$150.0	\$115.0 - \$125.0	\$104.5
Growth capital expenditures ⁽¹⁾	\$35.0 - \$55.0	\$40.0 - \$50.0	\$81.3
Lease payments	\$70.0 - \$80.0	\$65.0 - \$75.0	\$65.4
Cash interest ⁽¹⁾	\$65.0 - \$75.0	\$50.0 - \$60.0	\$45.7
Cash tax ⁽¹⁾	\$35.0 - \$45.0	\$40.0 - \$50.0	\$42.1

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

Chemtrade expects its 2026 Adjusted EBITDA to range between \$485.0 million and \$525.0 million. Based on the mid-point of the above guidance, including the anticipated spending on Growth capital expenditures and the changes in capital allocation, Chemtrade expects to end 2026 with a Net debt to Adjusted EBITDA ratio⁽¹⁾ of close to 2.5x and an implied Payout ratio⁽¹⁾ of ~45%.

Chemtrade’s latest guidance for 2025 projects Adjusted EBITDA to be a record year surpassing 2023, when Chemtrade generated Adjusted EBITDA of \$502.6 million. The midpoint of 2026 guidance is similar to the 2025 projected Adjusted EBITDA and emphasizes the significant step-change in Chemtrade’s Adjusted EBITDA and cashflow generation in the last five years.

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

- None of the principal manufacturing facilities (as set out in Chemtrade’s AIF) incurs significant unplanned downtime.
- No labour disruptions occur at any of Chemtrade’s principal manufacturing facilities (as set out in Chemtrade’s AIF).

(1) Net debt and Payout ratio are non-IFRS ratios. Net debt to Adjusted EBITDA is a Capital management measure. Please see Non-IFRS and Other Financial Measures for more information.

Key Assumptions	2026 Assumptions	2025 Assumptions Updated in Q4	2024 Actual
Approximate North American MECU sales volumes	171,000	173,000	172,000
2026 realized MECU Netback being lower than 2025 (per MECU)	CAD (\$155)	N/A	N/A
Average CMA ⁽¹⁾ NE Asia caustic spot price index per tonne ⁽²⁾	US\$450	US\$435	US\$385
Approximate North American production volumes of sodium chlorate (MTs)	254,000	272,000	270,000
USD to CAD average foreign exchange rate	1.375	1.390	1.370
Long term incentive plan costs (in \$ millions)	\$22.0 - \$28.0	\$20.0 - \$25.0	\$23.3

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

(2) The average CMA NE Asia caustic spot price for 2026, 2025 and 2024 is the average spot price for the four quarters ending with the third quarter of that year as the majority of our pricing is based on a one quarter lag.

Chemtrade remains focused on its long-term objective of delivering sustainable earnings growth and generating value for investors. To achieve this, Chemtrade has identified various organic growth initiatives and, in 2026, plans to invest between \$35M and \$55M in growth capital expenditures, with a focus on water treatment chemicals projects.

Capital Allocation – Increase in monthly distributions and continuation of NCIB program

Chemtrade's management and Board of Trustees continue to assess opportunities to further adjust and optimize Chemtrade's capital structure and capital allocation.

Chemtrade's balance sheet continued to improve in the third quarter of 2025; as of September 30, 2025, Chemtrade's Net Debt was \$941.1 million and its Net Debt to Adjusted EBITDA ratio was 1.8x. Adjusted EBITDA guidance for 2026 is consistent with the higher run-rate demonstrated by Chemtrade over the past several years.

Chemtrade is now increasing its monthly distribution of 5.75 cents per month to 6.00 cents per month effective with the distribution that will be declared during the month of January 2026. This is the third consecutive year of increased distributions. In January 2024, Chemtrade raised its distribution by 10% to 5.5 cents per month and in January 2025, Chemtrade raised its distribution by approximately 5% to 5.75 cents per month. This distribution represents a Payout ratio of 45% based on the mid-point of Chemtrade's guidance for 2026. The increase in the level of cash distributions is expected to have a minimal impact on Chemtrade's leverage and is not expected to impede Chemtrade's ability to execute growth initiatives while maintaining a healthy balance sheet.

In addition, Chemtrade intends to continue buying units under its NCIB program. During 2025 Chemtrade purchased 8.9 million units, which represent roughly 8% of units outstanding at the end of December 2025.

About Chemtrade

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

NON-IFRS AND OTHER FINANCIAL MEASURES

Non-IFRS financial measures and non-IFRS ratios

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

These non-IFRS financial measures and non-IFRS ratios are not standardized financial measures under IFRS and, therefore, are unlikely to be comparable to similar financial measures presented by other entities. Management believes these non-IFRS financial measures and non-IFRS ratios provide transparent and useful supplemental information to help investors evaluate 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.

Growth capital expenditures

Most directly comparable IFRS financial measure: Capital expenditures

Definition: Growth capital expenditures is calculated as Capital expenditures less Maintenance Capital expenditures, plus Investments in a joint venture.

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

	<u>Year ended</u>
	<u>December 31, 2024</u>
Capital expenditures	\$185,803
Less: Maintenance capital expenditures	(104,474)
Non-maintenance capital expenditures ⁽¹⁾	81,329

Add: Investment in Joint Venture ⁽²⁾	-
Growth capital expenditures	\$81,329

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.

<u>(\$'000, except per unit metrics and ratios)</u>	<u>Twelve months ended</u>
	<u>September 30, 2025</u>

Cash flows from operating activities	\$350,482
Add (Less):	
Lease payments net of sub-lease receipts	(69,251)
Increase in working capital	60,584
Changes in other items ⁽¹⁾	19,289
<u>Maintenance capital expenditures ⁽²⁾</u>	<u>(110,257)</u>
Distributable cash after maintenance capital expenditures	\$250,847

Divided by:

<u>Weighted average number of units outstanding</u>	<u>115,962,103</u>
Distributable cash after maintenance capital expenditures per unit	\$2.16

Distributions declared per unit ⁽³⁾	\$0.6825
Payout ratio (%)	32%

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

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

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

Net debt

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

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

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

<u>(\$'000)</u>	<u>September 30, 2025</u>
Long-term debt ⁽¹⁾	\$513,562
Add (Less):	
Debentures ⁽¹⁾	239,694
Long-term lease liabilities	145,469
Lease liabilities ⁽²⁾	61,149
Cash and cash equivalents	<u>(18,737)</u>
Net debt	\$941,137

(1) Principal amount outstanding.

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

Capital management measures

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

Net debt to Adjusted EBITDA

Definition: Net debt to Adjusted EBITDA is calculated as Net debt divided by LTM Adjusted EBITDA. LTM Adjusted EBITDA represents the last twelve months' Adjusted EBITDA and is calculated from Adjusted EBITDA reported in the MD&A.

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

Total of segments measures

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

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

Adjusted EBITDA

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

	<u>Twelve months ended</u>
	<u>December 31, 2024</u>
(\$'000)	
Net earnings (loss)	\$126,908
Add (Less):	
Depreciation and amortization	188,545
Net finance costs	72,560
Income tax expense	43,922
Impairment of joint venture	3,834
Change in environmental and decommissioning liability	(930)
Net loss on disposal and write-down of PPE	8,502
<u>Unrealized foreign exchange loss</u>	<u>27,451</u>
<u>Adjusted EBITDA</u>	<u>\$470,792</u>

Supplementary financial measures

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

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

Maintenance capital expenditures

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

Non-maintenance capital expenditures

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

Cash interest

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

Cash tax

Represents current income tax expense adjusted to exclude current income tax expense related to the disposal of assets held for sale.

Caution Regarding Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking statements within the meaning of certain securities laws, including the Securities Act (Ontario). Forward-looking statements can be generally identified by the use of words such as "anticipate", "continue", "estimate", "expect", "expected", "intend", "may", "will", "project", "plan", "should", "believe" and similar expressions. Specifically, forward-looking statements in this news release include statements respecting certain future expectations about: Chemtrade's expected Adjusted EBITDA range for 2025 and 2026; the expected stated maintenance capital expenditures, growth capital expenditures (including allocation of such amounts), lease payments, cash interest and cash tax; the expected Net debt to Adjusted EBITDA ratio at the end of 2026; and Chemtrade's expectation that its new level of cash distributions will have minimal impact on leverage and its ability to execute growth initiatives while maintaining a healthy balance sheet. Forward-looking statements in this news release describe the expectations of the Fund and its subsidiaries as of the date hereof. These statements are based on assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements for a variety of reasons, including without limitation the risks and uncertainties detailed under the "RISK FACTORS" section of the Fund's latest Annual Information Form and the "RISKS AND UNCERTAINTIES" section of the Fund's most recent Management's Discussion & Analysis.

Although the Fund believes the expectations reflected in these forward-looking statements and the assumptions upon which they are based are reasonable, no assurance can be given that actual results will be consistent with such forward-looking statements, and they should not be unduly relied upon. With respect to the forward-looking statements contained in this news release, the Fund has made assumptions regarding: there being no significant unplanned downtime or labour disruptions affecting Chemtrade's principal manufacturing facilities; the stated North American MECU sales volumes; the stated amount by which 2026 realized MECU Netback are lower than 2025; the stated average CMA NE Asia caustic spot price index; the stated North American sodium chlorate production volumes; the stated U.S. dollar foreign exchange rate; and the stated long term incentive plan costs.

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

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