

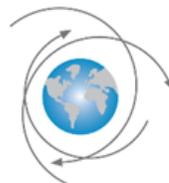
CHEMTRADE LOGISTICS INCOME FUND

# Management's Discussion and Analysis

For the Year Ended December 31, 2025

March 6, 2026

# 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 audited consolidated financial statements of Chemtrade for the year ended December 31, 2025.

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 March 6, 2026 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 60.

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 58.

## 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 66.

## Where to find it

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### 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 also provides turnkey water solutions. 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>Year ended</u>        |                   |                   |
|---|---------------------------|-------------------|--------------------------|-------------------|-------------------|
|   | <b>December 31, 2025</b>  | December 31, 2024 | <b>December 31, 2025</b> | December 31, 2024 | December 31, 2023 |
| Revenue   | \$ 502,041                | \$ 446,525        | \$ 1,997,776             | \$ 1,787,033      | \$ 1,846,766      |
| Net earnings  | \$ 38,252                 | \$ 10,274         | \$ 139,390               | \$ 126,908        | \$ 249,319        |
| Net earnings per unit <sup>(1)</sup>  | \$ 0.34                   | \$ 0.09           | \$ 1.22                  | \$ 1.07           | \$ 2.15           |
| Diluted net earnings per unit <sup>(1)</sup>  | \$ 0.18                   | \$ 0.09           | \$ 1.22                  | \$ 1.04           | \$ 1.52           |
| Total assets  | \$ 2,531,336              | \$ 2,284,407      | \$ 2,531,336             | \$ 2,284,407      | \$ 2,109,232      |
| Long-term debt  | \$ 977,054                | \$ 336,250        | \$ 977,054               | \$ 336,250        | \$ 246,545        |
| Convertible unsecured subordinated debentures   | \$ 30,960                 | \$ 356,596        | \$ 30,960                | \$ 356,596        | \$ 437,517        |
| Adjusted EBITDA <sup>(2)</sup>  | \$ 98,167                 | \$ 108,593        | \$ 507,404               | \$ 470,792        | \$ 502,637        |
| Cash flows from operating activities <sup>(4)</sup>                                   | \$ 85,468                 | \$ 83,842         | \$ 355,074               | \$ 342,069        | \$ 401,463        |
| Distributable cash after maintenance capital expenditures <sup>(2)</sup>              | \$ 16,650                 | \$ 39,516         | \$ 227,981               | \$ 213,122        | \$ 283,012        |
| Distributable cash after maintenance capital expenditures per unit <sup>(1) (2)</sup> | \$ 0.1459                 | \$ 0.3277         | \$ 1.9942                | \$ 1.7996         | \$ 2.4353         |
| Distributions declared  | \$ 19,838                 | \$ 19,833         | \$ 78,871                | \$ 78,348         | \$ 70,140         |
| Distributions declared per unit <sup>(3)</sup>  | \$ 0.1725                 | \$ 0.1650         | \$ 0.6900                | \$ 0.6600         | \$ 0.6000         |
| Distributions paid, net of distributions reinvested                                   | \$ 19,710                 | \$ 19,973         | \$ 78,852                | \$ 76,614         | \$ 58,031         |

<sup>(1)</sup> Based on weighted average number of units outstanding for the period.

<sup>(2)</sup> See [Non-IFRS and Other Financial Measures](#) on page 60.

<sup>(3)</sup> Based on actual number of units outstanding on record date.

<sup>(4)</sup> The 2024 comparative amount for the change in working capital within cash flows from operating activities has been restated to reflect capital expenditure related accruals that were previously classified within investing activities.

## FULL YEAR 2025 HIGHLIGHTS

- Revenue of \$1,997.8 million, an increase of \$210.7 million or 11.8% year-over-year. Excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, revenue for 2025 was \$171.0 million higher than 2024. Revenue for merchant acid, water solutions products and Regen acid in the SWC segment were significantly higher than 2024 which more than offset lower MECU volumes and netbacks in the EC segment.
- Adjusted EBITDA of \$507.4 million, is the highest annual Adjusted EBITDA generated by Chemtrade since its inception. This is an increase of \$36.6 million or 7.8% year-over year; excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, Adjusted EBITDA for 2025 was \$8.8 million higher than 2024 due to higher margins for merchant acid, sodium chlorate and Regen acid.
- Net earnings of \$139.4 million, an increase of \$12.5 million year-over-year primarily due to favourable unrealized foreign exchange gains, higher Adjusted EBITDA, lower income tax expense and lower losses on disposal and write-down of PPE, partially offset by an impairment of PPE, higher finance costs and higher depreciation and amortization expense.
- Cash flows from operating activities of \$355.1 million, an increase of \$13.0 million or 3.8% year-over-year mainly due to higher Adjusted EBITDA, partially offset by an increase in working capital.
- Distributable cash after maintenance capital expenditures of \$228.0 million, an increase of \$14.9 million or 7.0% year-over-year, reflecting higher Adjusted EBITDA partially offset by higher maintenance capital expenditures, interest and lease payments.
- We purchased approximately 8.9 million units during the year as part of our two normal course issuer bid ("NCIB").
- 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<sup>(2)</sup> for 2025 was 35%. Subsequent to year-end, in January 2026, we increased our monthly distribution rate by approximately 4% to \$0.0600 per unit or \$0.7200 per unit per year.
- Chemtrade reaffirms its 2026 Adjusted EBITDA guidance range of \$485.0 million to \$525.0 million. The midpoint of 2026 guidance is similar to 2025's record Adjusted EBITDA and reinforces the significant step-change in Chemtrade's Adjusted EBITDA and cashflow generation in the last five years.

## FOURTH QUARTER 2025 HIGHLIGHTS

- Revenue of \$502.0 million, an increase of \$55.5 million or 12.4% year-over-year; excluding the impact of foreign exchange, revenue for 2025 was \$56.5 million higher than 2024, driven by higher selling prices and volumes for merchant acid, and to a lesser extent, Regen acid and water solutions products in the SWC segment. This more than offset lower MECU sales volumes and netbacks in the EC segment.
- Adjusted EBITDA of \$98.2 million, a decrease of \$10.4 million or 9.6% year-over-year; excluding the impact of foreign exchange, Adjusted EBITDA for 2025 was \$10.0 million lower than 2024. With the exception of merchant acid, most key products had lower margins in 2025 relative to 2024.

- Net earnings of \$38.3 million, an increase of \$28.0 million year-over-year primarily owing to favourable unrealized foreign exchange gains and lower finance costs in 2025, an impairment loss in 2024, partially offset by lower Adjusted EBITDA.
- Cash flows from operating activities of \$85.5 million, an increase of \$1.6 million or 1.9% year-over-year, mainly due to a decrease in working capital and lower income taxes paid partially offset by lower Adjusted EBITDA.
- Distributable cash after maintenance capital expenditures of \$16.7 million, a decrease of \$22.9 million or 57.9% year-over-year, reflecting lower Adjusted EBITDA and higher maintenance capital spending.
- Chemtrade purchased approximately 1.9 million units in the fourth quarter under the NCIB.
- Chemtrade continues to maintain a strong balance sheet, with a Net debt to LTM Adjusted EBITDA<sup>(1)</sup> ratio of 2.3x at the end of the fourth quarter of 2025.

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<sup>(1)</sup> Net debt to LTM Adjusted EBITDA is a capital management measure. See [Non-IFRS and Other Financial Measures](#)

<sup>(2)</sup> Payout Ratio is a capital management measure. See [Non-IFRS and Other Financial Measures](#)

## RECENT DEVELOPMENTS

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

On November 21, 2025, Chemtrade completed the previously announced acquisition of Polytec, Inc, ("Polytec"), a southeastern United States-based provider of turnkey water treatment solutions, for USD \$150.0 million on a debt-free basis and subject to customary closing adjustments.

### **Normal Course Issuer Bid**

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 December 31, 2025, approximately 2.9 million units were purchased as part of this NCIB.

### **Trading on the OTCQX® Best Market**

Subsequent to year end, on February 20, 2026, Chemtrade began trading on the OTCQX® Best Market under the symbol "CGIFF". Upgrading to the OTCQX® Best Market is an important step enabling Chemtrade to provide more transparent trading and to expand its reach with U.S. investors.

### **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 Convertible Debentures") in accordance with the terms of the Indenture pursuant to which they were issued. 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 Convertible Debentures. The purchase price under the SIB was \$1,340 in cash per \$1,000 principal amount of 2027 Convertible 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 Convertible 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 Convertible Debentures tendered for total consideration of \$115.7 million, representing a purchase price of \$1,340 per \$1,000 principal amount of 2027 Convertible 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 Convertible Debentures which represented all of the 2027 Convertible Debentures which remained outstanding.

### **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 Convertible Debentures"). Under the SIB, the Fund offered to purchase, at the election of the holders of the 2028 Convertible Debentures, for each \$1,000 principal amount of 2028 Convertible Debentures validly tendered and not withdraw:

(a) 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 Convertible Debentures up to, but excluding the date they were taken up and paid for by the Fund; or

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

On November 3, 2025, the second SIB expired with a total of \$8.5 million aggregate principal amount of 2028 Convertible Debentures tendered under the 2028 Cash Election and \$73.9 million aggregate principal amount of 2028 Convertible Debentures tendered under the 2028 Convertible Debenture Election. The Fund issued \$73.9 million aggregate principal amount of Non-Convertible Debentures and paid cash of \$27.0 million. Following the second SIB, \$27.5 million aggregate principal amount of 2028 Convertible Debentures remained outstanding.

### **Extension of Credit Facility**

During the fourth quarter, Chemtrade executed an amended and restated credit agreement to extend its maturity by two years from October 24, 2028 to October 31, 2030. Key terms of the credit agreement remained unchanged.

### **Senior Unsecured Notes**

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

## CONSOLIDATED OPERATING RESULTS

|                         | Three months ended December 31, 2025 vs 2024  | Year ended December 31, 2025 vs 2024   | Year ended December 31, 2024 vs 2023  |
|-------------------------|---|--|---|
| <b>F/X Rate</b>         | <p>US\$1.00 = \$1.39 in 2025 compared with \$1.40 in 2024.</p> <p>The stronger Canadian dollar during 2025 compared with 2024 had a negative impact on consolidated revenue, gross profit and Adjusted EBITDA of \$1.0 million, \$0.4 million and \$0.4 million, respectively.</p>  | <p>US\$1.00 = \$1.40 in 2025 compared with US\$1.00 = \$1.37 in 2024.</p> <p>The weaker Canadian dollar during 2025 compared with 2024 had a positive impact on consolidated revenue, gross profit and Adjusted EBITDA of \$29.2 million, \$9.3 million and \$9.9 million, respectively.</p>   | <p>US\$1.00 = \$1.37 in 2024 compared with US\$1.00 = \$1.35 in 2023.</p> <p>The weaker Canadian dollar during 2024 compared with 2023 did not have a significant impact on consolidated revenue, gross profit and Adjusted EBITDA.</p>   |
| <b>General comments</b> | <p>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 year ended December 31, 2024. The year ended December 31, 2023 includes revenue of \$40.3 million and Adjusted EBITDA of \$6.6 million related to the P2S5 business which was sold in the fourth quarter of 2023.</p>  |  |   |
| <b>Revenue</b>          | <p>Consolidated revenue for 2025 was \$502.0 million, which was \$55.5 million higher than revenue for 2024. Excluding the impact of foreign exchange, revenue for 2025 was \$56.5 million higher primarily due to:</p> <ul style="list-style-type: none"> <li>• higher selling prices and volumes of merchant acid, water solutions products and Regen acid in the SWC segment,</li> <li>• higher selling prices for sulphur products in the SWC segment, and</li> <li>• higher sales volumes of sodium chlorate and products at our Brazil plant in the EC segment,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• lower MECU sales volumes and netbacks in the EC segment.</li> </ul> | <p>Consolidated revenue for 2025 was \$1,997.8 million, which was \$210.7 million higher than revenue for 2024. Excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, revenue was \$171.0 million higher primarily due to:</p> <ul style="list-style-type: none"> <li>• higher selling prices and volumes of merchant acid, water solutions products and Regen acid in the SWC segment,</li> <li>• higher selling prices for sulphur products in the SWC segment,</li> <li>• higher selling prices for caustic soda, sodium chlorate and HCl in the EC segment, and</li> <li>• higher sales volumes of sodium chlorate in the EC segment,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• lower selling prices for chlorine and lower MECU sales volumes in the EC segment.</li> </ul> | <p>Consolidated revenue for 2024 was \$1,787.0 million, which was \$59.7 million lower than revenue for 2023. Excluding the maintenance turnaround at North Vancouver and revenue related to the P<sub>2</sub>S<sub>5</sub> business as noted above, revenue was \$8.9 million lower primarily due to:</p> <ul style="list-style-type: none"> <li>• lower volumes for merchant acid and lower selling prices for sodium nitrite in the SWC segment,</li> <li>• lower selling prices for caustic soda and chlorine in the EC segment,</li> <li>• lower sales volume for Brazil in the EC segment, and</li> <li>• the impact of the work stoppage at the Canadian railways in the EC segment,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• significantly higher selling prices for water solutions products in the SWC segment, and</li> <li>• higher selling prices for HCl in the EC segment.</li> </ul> |

|                        | Three months ended December 31, 2025 vs 2024   | Year ended December 31, 2025 vs 2024  | Year ended December 31, 2024 vs 2023  |
|------------------------|--|---|---|
| <b>Adjusted EBITDA</b> | <p>Adjusted EBITDA for 2025 was \$98.2 million, which was \$10.4 million lower than the Adjusted EBITDA for 2024. Excluding the impact of foreign exchange, Adjusted EBITDA for 2025 was \$10.0 million lower than 2024 primarily due to:</p> <ul style="list-style-type: none"> <li>• lower MECU sales volumes and netbacks in the EC segment,</li> <li>• higher costs for sodium nitrite and ultrapure sulphuric acid in the SWC segment, and</li> <li>• lower margins for water solutions products in the SWC segment where higher selling prices did not fully offset higher raw material costs,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• higher margins for merchant acid in the SWC segment where significantly higher selling prices more than offset higher input costs.</li> </ul> | <p>Adjusted EBITDA for 2025 was \$507.4 million, which was \$36.6 million higher than the 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 \$8.8 million higher primarily due to:</p> <ul style="list-style-type: none"> <li>• higher selling prices for caustic soda and sodium chlorate in the EC segment, and</li> <li>• higher selling prices and volumes for merchant acid and Regen acid in the SWC segment,</li> </ul> <p>offset by:</p> <ul style="list-style-type: none"> <li>• lower selling prices for chlorine and lower MECU sales volumes in the EC segment, and</li> <li>• higher Corporate costs due to LTIP expenses, Polytec acquisition related costs and lawsuit provisions.</li> </ul> | <p>Adjusted EBITDA for 2024 was \$470.8 million, which was \$31.8 million lower than the Adjusted EBITDA for the same period of 2023. Excluding the negative \$5.8 million impact of the work stoppage at the Canadian railways, the maintenance turnaround at North Vancouver and Adjusted EBITDA related to the P<sub>2</sub>S<sub>5</sub> business as noted above, Adjusted EBITDA was similar to 2023. Below are the key factors affecting the comparison:</p> <ul style="list-style-type: none"> <li>• significantly higher selling prices for water solutions products in the SWC segment,</li> </ul> <p>offset by:</p> <ul style="list-style-type: none"> <li>• lower selling prices for caustic soda and chlorine, partially offset by higher HCl prices resulting in a reduction in realized MECU netbacks of approximately \$30 per MECU in the EC segment, and</li> <li>• higher Corporate costs due to compensation related expenses and realized foreign exchange losses.</li> </ul> |

|                            | Three months ended December 31, 2025 vs 2024   | Year ended December 31, 2025 vs 2024  | Year ended December 31, 2024 vs 2023  |
|----------------------------|--|---|---|
| <b>Net Earnings (loss)</b> | <p>Net earnings for 2025 were \$28.0 million higher than 2024 primarily due to:</p> <ul style="list-style-type: none"> <li>• unrealized foreign exchange gains during 2025 compared to unrealized foreign exchange losses during 2024,</li> <li>• lower net finance costs during 2025 (see <a href="#">Net Finance Costs</a> on page 19), and</li> <li>• an impairment loss in 2024 on the write-down of an investment in a joint venture,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• lower Adjusted EBITDA.</li> </ul> | <p>Net earnings for 2025 were \$12.5 million higher than 2024 primarily due to:</p> <ul style="list-style-type: none"> <li>• unrealized foreign exchange gains during 2025 compared to unrealized foreign exchange losses during 2024,</li> <li>• higher Adjusted EBITDA,</li> <li>• lower income tax expense (see <a href="#">Income Taxes</a> on page 18), and</li> <li>• lower losses on disposal and write-down of PPE,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• impairment of PPE related to the Prince George sodium chlorate facility and sodium nitrite CGU in 2025,</li> <li>• higher net finance costs during 2025 (see <a href="#">Net Finance Costs</a> on page 19), and</li> <li>• higher depreciation and amortization expense.</li> </ul> | <p>Net earnings for 2024 were \$122.4 million lower than 2023 primarily due to:</p> <ul style="list-style-type: none"> <li>• higher net finance costs during 2024 compared with net finance income during 2023,</li> <li>• unrealized foreign exchange losses during 2024 compared to unrealized foreign exchange gains during 2023,</li> <li>• lower Adjusted EBITDA, and</li> <li>• a \$24.3 million gain on sale of the P<sub>2</sub>S<sub>5</sub> business during 2023,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• lower depreciation and amortization expense.</li> </ul> |

# RESULTS OF OPERATIONS BY REPORTABLE SEGMENT

## SULPHUR AND WATER CHEMICALS (SWC)

| (\$'000)        | Three months ended |                   | Year ended        |                   |
|-----------------|--------------------|-------------------|-------------------|-------------------|
|                 | December 31, 2025  | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| Revenue         | \$ 323,063         | \$ 260,110        | \$ 1,230,739      | \$ 1,038,163      |
| Gross profit    | 32,983             | 39,842            | 198,830           | 196,747           |
| Adjusted EBITDA | 60,707             | 62,450            | 288,576           | 270,370           |

Starting with the first quarter of 2026, Chemtrade intends to report its water solutions products as a new business segment. This decision is due to the significant, and growing, contribution of these products to the Fund's financial results as well as the acquisition of Polytec, Inc.

| SWC OPERATING RESULTS |  |   |
|-----------------------|--|---|
|                       | Q4 2025 vs Q4 2024   | Year ended December 31, 2025 vs 2024  |
| <b>F/X Rate</b>       | The stronger Canadian dollar during 2025 compared with 2024 had a negative impact on consolidated revenue, gross profit and Adjusted EBITDA of \$0.8 million, \$0.1 million and \$0.1 million, respectively.   | The weaker Canadian dollar during 2025 compared with 2024 had a positive impact on consolidated revenue, gross profit and Adjusted EBITDA of \$17.2 million, \$1.5 million and \$2.4 million, respectively.   |
| <b>Revenue</b>        | Revenue for 2025 was \$63.0 million higher than revenue for 2024. Excluding the impact of foreign exchange, revenue was \$63.8 million higher primarily due to: <ul style="list-style-type: none"> <li>• higher selling prices and volumes of merchant acid and, to a lesser extent, water solutions products and Regen acid,</li> <li>• higher selling prices for sulphur products, and</li> <li>• an increase from the Polytec acquisition.</li> </ul> | Revenue for 2025 was \$192.6 million higher than revenue for 2024. Excluding the impact of foreign exchange, revenue was \$175.4 million higher primarily due to: <ul style="list-style-type: none"> <li>• higher selling prices and volumes of merchant acid, water solutions products and Regen acid, and</li> <li>• higher selling prices for sulphur products.</li> </ul> |

| <b>SWC OPERATING RESULTS</b> |   |   |
|------------------------------|---|---|
|                              | <b>Q4 2025 vs Q4 2024</b>   | <b>Year ended December 31, 2025 vs 2024</b>   |
| <b>Adjusted EBITDA</b>       | <p>Adjusted EBITDA for 2025 was \$60.7 million which was \$1.7 million lower than Adjusted EBITDA for 2024. Excluding the impact of foreign exchange, Adjusted EBITDA was \$1.6 million lower primarily due to:</p> <ul style="list-style-type: none"> <li>• higher costs for sodium nitrite and ultrapure sulphuric acid, and</li> <li>• Lower margins for water solutions products, where higher selling prices did not fully offset higher input costs,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• higher margins for merchant acid as significantly higher selling prices more than offset higher input costs, and</li> <li>• to a lesser extent approximately six-weeks of post acquisition EBITDA generated by Polytec.</li> </ul> | <p>Adjusted EBITDA for 2025 was \$288.6 million, which was \$18.2 million higher than Adjusted EBITDA for 2024. Excluding the impact of foreign exchange, Adjusted EBITDA was \$15.8 million higher primarily due to:</p> <ul style="list-style-type: none"> <li>• higher selling prices and volumes for merchant acid, Regen acid, and sulphur products, which more than offset higher costs for sodium nitrite and ultrapure sulphuric acid.</li> </ul> |
| <b>Gross Profit</b>          | <p>Gross profit for 2025 was \$33.0 million, which was \$6.9 million lower than gross profit for 2024. In addition to the factors that affected Adjusted EBITDA, gross profit was also affected by higher depreciation and amortization expenses and lower net losses on the disposal and write-down of PPE.</p>  | <p>Gross profit for 2025 was \$198.8 million, which was \$2.1 million higher than gross profit for 2024. Excluding the impact of foreign exchange, gross profit for 2025 was \$0.6 million higher than 2024. In addition to the factors that affected Adjusted EBITDA, gross profit was also affected by higher depreciation and amortization expenses and lower net losses on the disposal and write-down of PPE.</p>                                    |

## ELECTROCHEMICALS (EC)

| (\$'000)                                 | <u>Three months ended</u> |                          | <u>Year ended</u>        |                          |
|--|---------------------------|--------------------------|--------------------------|--------------------------|
|  | <u>December 31, 2025</u>  | <u>December 31, 2024</u> | <u>December 31, 2025</u> | <u>December 31, 2024</u> |
| North American sales volumes:            |                           |                          |                          |                          |
| Sodium chlorate sales volumes (000's MT) | 67                        | 65                       | 273                      | 270                      |
| Chlor-alkali sales volumes (000's MECU)  | 35                        | 43                       | 170                      | 172                      |
| Revenue                                  | \$ 178,978                | \$ 186,415               | \$ 767,037               | \$ 748,870               |
| Gross profit                             | 52,933                    | 58,808                   | 261,258                  | 233,804                  |
| Adjusted EBITDA                          | 71,589                    | 83,487                   | 345,680                  | 314,080                  |

| <b>EC OPERATING RESULTS</b> |  |   |
|-----------------------------|--|---|
|                             | <b>Q4 2025 vs Q4 2024</b>  | <b>Year ended December 31, 2025 vs 2024</b>   |
| <b>F/X Rate</b>             | The stronger Canadian dollar during 2025 compared with 2024 had a negative impact on consolidated revenue, gross profit and Adjusted EBITDA of \$0.2 million, \$0.3 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 \$12.0 million, \$7.8 million and \$8.1 million, respectively. |
| <b>General Comments</b>     | Revenue, gross profit and Adjusted EBITDA for the year ended December 31, 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. |   |

| <b>EC OPERATING RESULTS</b> |   |  |
|-----------------------------|---|--|
|                             | <b>Q4 2025 vs Q4 2024</b>   | <b>Year ended December 31, 2025 vs 2024</b>  |
| <b>Revenue</b>              | <p>Revenue for 2025 was \$179.0 million, which was \$7.4 million lower than revenue for 2024. Excluding the impact of foreign exchange, revenue was \$7.2 million lower due to:</p> <ul style="list-style-type: none"> <li>• lower MECU sales volumes and netbacks,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• higher sales volumes of sodium chlorate and products at our Brazil plant.</li> </ul> <p>MECU netbacks decreased by approximately \$40 mainly due to lower netbacks for chlorine.</p>                                    | <p>Revenue for 2025 was \$767.0 million, which was \$18.2 million higher than revenue for 2024. Excluding the impact of foreign exchange and the maintenance turnaround at North Vancouver in 2024, revenue was \$4.3 million lower due to:</p> <ul style="list-style-type: none"> <li>• lower selling prices for chlorine, and</li> <li>• lower MECU sales volumes,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• higher selling prices for caustic soda, sodium chlorate and HCl, and</li> <li>• higher sales volumes of sodium chlorate.</li> </ul> <p>MECU netbacks increased by approximately \$60, with lower netbacks for the chlorine side of the molecule, offsetting approximately 40% of higher netbacks for caustic soda.</p>                          |
| <b>Adjusted EBITDA</b>      | <p>Adjusted EBITDA for 2025 was \$71.6 million, which was \$11.9 million lower than Adjusted EBITDA for 2024. Excluding the impact of foreign exchange, Adjusted EBITDA was \$11.6 million lower primarily due to:</p> <ul style="list-style-type: none"> <li>• lower MECU sales volumes and netbacks,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• higher sales volumes of sodium chlorate and products at our Brazil plant.</li> </ul> <p>MECU netbacks decreased by approximately \$40 mainly due to lower netbacks for chlorine.</p> | <p>Adjusted EBITDA for 2025 was \$345.7 million, which was \$31.6 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 \$5.6 million higher primarily due to:</p> <ul style="list-style-type: none"> <li>• higher selling prices for caustic soda, sodium chlorate and HCl, and</li> <li>• higher sales volumes of sodium chlorate,</li> </ul> <p>offset by:</p> <ul style="list-style-type: none"> <li>• lower selling prices for chlorine, and</li> <li>• lower MECU sales volumes.</li> </ul> <p>MECU netbacks increased by approximately \$60, with lower netbacks for the chlorine side of the molecule, offsetting approximately 40% of higher netbacks for caustic soda.</p> |

| EC OPERATING RESULTS |   |   |
|----------------------|---|---|
|                      | Q4 2025 vs Q4 2024  | Year ended December 31, 2025 vs 2024  |
| <b>Gross Profit</b>  | Gross profit for 2025 was \$52.9 million, which was \$5.9 million lower than gross profit for 2024. Excluding the impact of foreign exchange, gross profit was \$5.6 million lower 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 \$261.3 million, which was \$27.5 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 \$1.8 million higher in 2025. In addition to the factors that affected Adjusted EBITDA, gross profit was also affected by higher depreciation and amortization expense. |

## 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>Year ended</u>        |                          |
|-----------------------------------|---------------------------|--------------------------|--------------------------|--------------------------|
|                                   | <u>December 31, 2025</u>  | <u>December 31, 2024</u> | <u>December 31, 2025</u> | <u>December 31, 2024</u> |
| Corporate costs (Adjusted EBITDA) | \$ (34,129)               | \$ (37,344)              | \$ (126,852)             | \$ (113,658)             |

| CORPORATE COSTS        |   |   |
|------------------------|---|---|
|                        | Q4 2025 vs Q4 2024  | Year ended December 31, 2025 vs 2024  |
| <b>Corporate costs</b> | <p>Corporate costs were lower primarily due to:</p> <ul style="list-style-type: none"> <li>\$5.9 million of lower realized foreign exchange losses in 2025 compared to 2024,</li> <li>\$1.3 million lower short-term incentive compensation costs compared to 2024, and</li> <li>\$1.6 million lower professional fees and other administrative expenses,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>\$5.3 million higher LTIP costs.</li> </ul> | <p>Corporate costs were higher primarily due to:</p> <ul style="list-style-type: none"> <li>\$6.1 million higher LTIP costs,</li> <li>\$5.3 million of legal and other costs related to the Polytec acquisition, and</li> <li>\$1.6 million of expenses related to the Superior lawsuit.</li> </ul> |
| <b>F/X Hedging</b>     | <p>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.</p>   |   |

## 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 \$1.37 to \$1.38 for US\$1.00), on an unhedged basis, this would have the impact as below:

| Measure  | Impact         |
|--|----------------|
| Annual net earnings  | +\$3.2 million |
| Adjusted EBITDA  | +\$4.0 million |
| Annual distributable cash after maintenance capital expenditures | +\$2.8 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 December 31, 2025 include future contracts to sell the following amounts for periods through to January 2027:

| Amount (\$'000) | Maturity | Exchange rate |
|-----------------|----------|---------------|
| US\$40,978      | Q1 2026  | \$1.38        |
| US\$34,077      | Q2 2026  | \$1.38        |
| US\$22,177      | Q3 2026  | \$1.38        |
| US\$17,177      | Q4 2026  | \$1.38        |
| US\$3,000       | Q1 2027  | \$1.39        |

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 expense and other assets or trade and other payables on the Consolidated 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 60.

We have partially 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 designated amount of 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 December 31, 2025. For the three months and year ended December 31, 2025, a foreign exchange loss of \$0.7 million and a foreign exchange gain of \$2.8 million, respectively, on the revaluation of the USD-denominated debt was recognized in other comprehensive income, compared with foreign exchange gains, of \$3.2 million and \$8.6 million, respectively, during the three months and year ended December 31, 2024.

The rate of exchange used to translate USD-denominated balances has decreased from a rate of US\$1.00 = \$1.44 at December 31, 2024 to US\$1.00 = \$1.37 at December 31, 2025. The quarterly average rate of exchange during the fourth quarter of 2025 was US\$1.00 = \$1.39 as compared to the same period of 2024 at US\$1.00 = \$1.40. The average rate for the year ended December 31, 2025 has increased from US\$1.00 = \$1.37 during the year ended December 31, 2024 to US\$1.00 = \$1.40 in the year ended December 31, 2025. See [Risks and Uncertainties](#) on MD&A on page 40 for additional comments on foreign exchange.

## NET FINANCE COSTS AND INCOME TAXES

### Net Finance Costs

During the three months and year ended December 31, 2025, net finance costs were \$3.0 million and \$104.5 million, respectively, compared with net finance costs of \$11.5 million and \$72.6 million, respectively, during the same periods of 2024.

| Q4 2025 vs Q4 2024  | Year ended December 31, 2025 vs 2024   |
|---|--|
| <p>Net finance costs were \$8.5 million lower during 2025 relative to 2024. The decrease was primarily due to:</p> <ul style="list-style-type: none"> <li>• \$18.4 million of gains related to the change in fair value of Convertible Debentures in 2025 compared with losses of \$1.8 million in 2024,</li> <li>• \$3.8 million lower interest on Convertible Debentures in 2025 compared to 2024, and</li> <li>• \$1.2 million of higher interest income,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• \$8.3 million of higher interest expense on long term debt,</li> <li>• \$3.8 million of higher losses related to the change in the fair value of interest rate swaps during 2025 compared with 2024,</li> <li>• \$2.9 million of higher debt extinguishment costs, and</li> <li>• \$0.9 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.</li> </ul> | <p>Net finance costs were \$31.9 million higher during 2025 relative to 2024. The increase was primarily due to:</p> <ul style="list-style-type: none"> <li>• \$19.8 million of higher interest expense on long-term debt,</li> <li>• \$7.9 million of higher losses related to the change in fair value of Convertible Debentures during 2025 compared 2024,</li> <li>• \$6.1 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,</li> <li>• \$2.6 million of interest expense related to the Superior lawsuit in 2025,</li> <li>• \$2.0 million of higher debt extinguishment costs, and</li> <li>• \$1.3 million of higher accretion of transaction costs on long-term debt in 2025 compared to 2024,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• \$8.7 million lower interest on Convertible Debentures in 2025 compared to 2024.</li> </ul> |

The Convertible 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 months and year ended December 31, 2025, the fair value of the Fund's Convertible Debentures, excluding the effect of redemptions and conversions, decreased by \$20.1 million and increased by \$33.5 million, respectively, and decreased by \$0.8 million and increased by \$13.1 million, respectively, during the same periods of 2024.

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

| (\$ million)   | Recorded in                | Three months ended<br>December 31, |          |           | Year ended<br>December 31, |         |          |
|--|----------------------------|------------------------------------|----------|-----------|----------------------------|---------|----------|
|  |                            | 2025                               | 2024     | Variance  | 2025                       | 2024    | Variance |
| (Decrease) increase due to a change in risk free rate and a change in the conversion option fair value | Net finance costs          | \$ (18.4)                          | \$ 1.8   | \$ (20.2) | \$ 26.5                    | \$ 18.6 | \$ 7.9   |
| (Decrease) increase due to a change in our credit risk, net of taxes                                   | Other comprehensive income | (0.8)                              | (2.6)    | 1.8       | 7.9                        | (4.0)   | 11.9     |
| Tax (expense) recovery due to own credit risk  | Other comprehensive income | (0.9)                              | 0.0      | (0.9)     | (0.9)                      | (1.5)   | 0.6      |
| (Decrease) increase in fair value of Convertible Debentures  |                            | \$ (20.1)                          | \$ (0.8) | \$ (19.4) | \$ 33.5                    | \$ 13.1 | \$ 20.4  |

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 December 31, 2025 was 4.2% (December 31, 2024 - 5.4%). See [Liquidity and Capital Resources - Financial Instruments](#) for information concerning swap arrangements on page 28.

### 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.

|                     | Q4 2025 vs Q4 2024   | Year ended December 31, 2025 vs 2024  |
|---------------------|--|---|
| <b>Income taxes</b> | <p>Income tax expense in 2025 was \$5.6 million lower than the same period of 2024. The change was primarily due to:</p> <ul style="list-style-type: none"> <li>• deferred tax recoveries related to the recognition of previously unrecognized deferred tax assets for certain business interest expense carryforward balances,</li> <li>• higher amounts of deferred tax recovery associated with the change in fair value of the Convertible Debentures in 2025 relative to 2024,</li> <li>• tax impacts related to changes in how entities are grouped for purposes of US state apportionment, and</li> <li>• favourable taxable foreign exchange in Brazil and other foreign exchange translation adjustments,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• higher operating income in 2025 relative to the same period of 2024,</li> <li>• tax impacts of the repurchase of Convertible Debentures in 2025,</li> <li>• estimated tax expense associated with US Base Erosion and Anti-Abuse Tax ("BEAT") liability, and</li> <li>• adjustments related to prior years and return-to-provision.</li> </ul> | <p>Income tax expense in 2025 was \$27.8 million lower than the same period of 2024. The change was primarily due to:</p> <ul style="list-style-type: none"> <li>• lower income before tax in 2025 relative to the same period of 2024, primarily driven by impairment charges,</li> <li>• deferred tax recoveries related to the recognition of previously unrecognized deferred tax assets for certain business interest expense carryforward balances,</li> <li>• higher amounts of deferred tax recovery associated with the change in fair value of the Convertible Debentures in 2025 relative to 2024,</li> <li>• tax impacts related to changes in how entities are grouped for purposes of US state apportionment, and</li> <li>• favourable taxable foreign exchange in Brazil and other foreign exchange translation adjustments,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• tax impacts of the repurchase of the Convertible Debentures in 2025,</li> <li>• estimated tax expense associated with US BEAT, and</li> <li>• adjustments related to prior years and return-to-provision.</li> </ul> |

| <b>As at December 31, 2025 vs December 31, 2024</b> |  |
|---|--|
| <b>Deferred tax assets and liabilities</b>          | <p>Net deferred tax assets decreased by \$28.5 million which was primarily due to:</p> <ul style="list-style-type: none"> <li>• an increase in deferred tax liabilities related to property, plant and equipment and intangible assets arising from the acquisition of Polytec,</li> <li>• an increase in deferred tax liabilities related to certain property, plant and equipment,</li> <li>• a decrease in deferred tax assets related to the payment of the disputed termination fee related to the Superior Lawsuit, and</li> <li>• a net decrease in deferred tax assets related to prior year adjustments,</li> </ul> <p>partially offset by:</p> <ul style="list-style-type: none"> <li>• an increase in deferred tax assets related to recognition of previously unrecognized deferred tax assets for certain business interest expense carryforward balances,</li> <li>• an increase in deferred tax assets related to other long-term liabilities and employee benefits,</li> <li>• a decrease in deferred tax liabilities related to the impairment of certain property, plant and equipment,</li> <li>• a decrease in deferred tax liabilities related to depreciation of non-deductible intangible and property, plant and equipment, and</li> <li>• a decrease in deferred tax liabilities related to unrealized foreign exchange.</li> </ul> |
| <b>Income taxes receivable</b>                      | <p>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.</p>   |

Our income tax expense for the year ended December 31, 2025 was \$16.1 million and the effective tax rate was 10.4%. The total income tax expense for 2025 includes the discrete impact of the One Big Beautiful Bill 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 for certain business interest expense carryforward balances resulting from the enactment of OBBBA, net deferred tax impacts associated with the change in fair value of the Convertible Debentures and the non-taxability to the Fund of the income distributed to unitholders, impacts of taxable foreign exchange in Brazil and other foreign exchange translation adjustments, changes in level of earnings in jurisdictions taxed at different rates and tax impacts related to changes in how entities are grouped for purposes of US state apportionment, partially offset by the tax impacts of the repurchase of the 2027 and 2028 Convertible Debentures in 2025, incremental tax expense associated with US BEAT, and adjustments related to prior years and return-to-provision.

## DISTRIBUTIONS

Distributions to Unitholders for the three months and year ended December 31, 2025 were declared as follows:

| <b>Record Date</b>                           | <b>Payment Date</b> | <b>Distribution Per Unit <sup>(1)</sup></b> |               | <b>Total (\$'000)</b> |
|--|---------------------|---|---------------|-----------------------|
| Three months ended December 31:              |                     |   |               |                       |
| October 31, 2025                             | November 28, 2025   | \$  | 0.0575        | \$ 6,650              |
| November 28, 2025                            | December 31, 2025   | \$  | 0.0575        | 6,621                 |
| December 31, 2025                            | January 30, 2026    |   | 0.0575        | 6,567                 |
| Sub-total                                    |                     |   | 0.1725        | 19,838                |
| Three months ended September 30, 2025        |                     |   | 0.1725        | 19,413                |
| Three months ended June 30, 2025             |                     |   | 0.1725        | 19,556                |
| Three months ended March 31, 2025            |                     |   | 0.1725        | 20,064                |
| <b>Total for the year ended Dec 31, 2025</b> |                     | <b>\$</b>                                   | <b>0.6900</b> | <b>\$ 78,871</b>      |

<sup>(1)</sup> Based on actual number of units outstanding on record date.

Distributions to Unitholders for the three months and year ended December 31, 2024 were declared as follows:

| <b>Record Date</b>                           | <b>Payment Date</b> | <b>Distribution Per Unit <sup>(1)</sup></b> |               | <b>Total (\$'000)</b> |
|--|---------------------|---|---------------|-----------------------|
| Three months ended December 31:              |                     |   |               |                       |
| October 31, 2024                             | November 29, 2024   | \$  | 0.0550        | \$ 6,666              |
| November 29, 2024                            | December 31, 2024   | \$  | 0.0550        | 6,619                 |
| December 31, 2024                            | January 31, 2025    |   | 0.0550        | 6,548                 |
| Sub-total                                    |                     |   | 0.1650        | 19,833                |
| Three months ended September 30, 2024        |                     | \$  | 0.1650        | 19,849                |
| Three months ended June 30, 2024             |                     | \$  | 0.1650        | 19,333                |
| Three months ended March 31, 2024            |                     |   | 0.1650        | 19,333                |
| <b>Total for the year ended Dec 31, 2024</b> |                     | <b>\$</b>                                   | <b>0.6600</b> | <b>\$ 78,348</b>      |

<sup>(1)</sup> 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:

|                     | <b>Other Income</b> | <b>Dividends <sup>(1)</sup></b> | <b>Foreign Non-Business Income</b> | <b>Total</b> |
|---------------------|---------------------|---------------------------------|------------------------------------|--------------|
| 2024                | 5.3%                | 31.4%                           | 63.3%                              | 100%         |
| 2025 <sup>(2)</sup> | 5.6%                | 32.8%                           | 61.6%                              | 100%         |

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

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

## CASH FLOWS

| (\$'000)  | Three months ended |                   | Year ended        |                   |
|---|--------------------|-------------------|-------------------|-------------------|
|   | December 31, 2025  | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| Net cash flows from (used in):                              |                    |                   |                   |                   |
| Operating activities  | \$ 85,468          | \$ 83,842         | \$ 355,074        | \$ 342,080        |
| Investing activities  | (267,234)          | (44,569)          | (428,566)         | (180,073)         |
| Financing activities  | 190,688            | (30,834)          | 76,013            | (159,299)         |
| Increase (Decrease) in cash and cash equivalents            | 8,922              | 8,439             | 2,521             | 2,697             |
| Effect of exchange rates on cash held in foreign currencies | (239)              | 723               | (598)             | 1,276             |
| Cash and cash equivalents, beginning of the period          | 18,737             | 16,335            | 25,497            | 21,524            |
| Cash and cash equivalents, end of the period                | \$ 27,420          | \$ 25,497         | \$ 27,420         | \$ 25,497         |

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, long term debt (see [Financing Activities](#) below) and Convertible Debentures. Our cash flow is required to fund cash distributions to Unitholders, capital requirements, interest, general trust purposes and other legal obligations.

|                             | Q4 2025 vs Q4 2024  | YTD 2025 vs YTD 2024  |
|-----------------------------|---|---|
| <b>Operating Activities</b> | Cash flows from operating activities in 2025 were an inflow of \$85.5 million, compared with \$83.8 million for the same period of 2024. The increase in cash flows from operating activities was primarily due to changes in working capital and lower income taxes paid, partially offset by lower Adjusted EBITDA. | Cash flows from operating activities in 2025 were an inflow of \$355.1 million, compared with \$342.1 million for the same period of 2024. The increase in cash flows from operating activities of \$13.0 million was primarily due to higher Adjusted EBITDA and lower income taxes paid, partially offset by changes in working capital and higher interest paid. |

|                             | Q4 2025 vs Q4 2024   | Year ended December 31, 2025 vs 2024  |
|-----------------------------|--|---|
| <b>Investing Activities</b> | <p>Cash flows used in investing activities totaled \$267.2 million in 2025, compared to \$44.6 million in the same period of 2024. This increase in outflows primarily related to the business acquisition of Polytec for \$212.8 million in Q4 2025, with no comparable in 2024.</p> <p>Capital expenditures were \$54.4 million in 2025, compared with \$44.6 million for the same period in 2024. This included maintenance capital expenditures<sup>(1)</sup> of \$49.3 million in 2025 and \$36.1 million in 2024.</p> <p>Non-maintenance capital expenditures<sup>(2)</sup> were \$19.3 million in 2025, compared with \$24.7 million in 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.</p> | <p>Cash flows used in investing activities totaled \$428.6 million in 2025, compared to \$180.1 million in the same period of 2024. The increase in cash outflows was primarily due to the Polytec and Thatcher acquisitions during 2025.</p> <p>Capital expenditures were \$176.6 million in 2025, down from \$180.1 million in 2024. These amounts included \$123.5 million in 2025 and \$104.5 million in 2024 for maintenance capital expenditures<sup>(1)</sup>.</p> <p>Non-maintenance capital expenditures<sup>(2)</sup> were \$48.2 million in 2025, compared with \$81.3 million in 2024. The higher spending in 2024 was primarily driven by spending on the expansion of our Cairo, OH facility.</p> |
| <b>Financing Activities</b> | <p>Cash flows from financing activities in 2025 were an inflow of \$190.7 million, compared with an outflow of \$30.8 million for the same period of 2024. The increase in cash from financing activities of \$221.5 million was primarily due to the issuance of additional Notes for \$250.0 million and an increase in borrowings under the revolving credit facility of \$123.3 million, partially offset by the redemption of Convertible Debentures for \$144.6 million.</p>   | <p>Cash flows from financing activities in 2025 were an inflow of \$76.0 million, compared with an outflow of \$159.3 million for the same period of 2024. The increase in cash flows from financing activities in 2025 compared with 2024 of \$235.3 million was primarily due to increased borrowings under the revolving credit facility and Notes, partially offset by increased outflows for redemptions of Convertible Debentures and purchases of units.</p>   |

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

<sup>(2)</sup> 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 October 2025, Chemtrade closed its private offering of \$250.0 million aggregate principal amount of 2032 Notes, and incurred transaction costs of \$4.6 million. The 2032 Notes include early redemption options allowing Chemtrade to redeem the 2032 Notes at a premium, in cash, any time prior to October 1, 2028 and at principal any time after October 1, 2030. Chemtrade recognized a derivative asset of \$2.7 million to reflect the redemption features of the 2032 Notes. Chemtrade utilized net proceeds of the issuance to pay down its revolving credit facility and for general corporate purposes.

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. 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 fourth quarter and year ended December 31, 2025 were \$26.8 million and \$100.8 million, respectively, compared to \$28.1 million and \$54.5 million, respectively, in the fourth quarter and year ended December 31, 2024. Purchases of units were funded by cash flows from operations.

During the third quarter of 2024, the Fund completed an SIB, pursuant to which Chemtrade acquired all of the tendered 2025 Convertible Debentures for a total consideration of \$37.6 million, (\$28.3 million par value), including all accrued and unpaid interest. Also during the third quarter of 2024, the Fund announced its intention to redeem all of the remaining 2025 Convertible Debentures. Pursuant to this, the remaining 2025 Convertible Debentures were retired by the issuance of 7.0 million units to the debenture holders who elected to convert their Convertible Debentures and the payment of \$6.2 million to those who did not elect to convert.

During the third quarter of 2025, the Fund completed the redemption of all its outstanding 2026 Convertible Debentures. As a result of the redemption, holders of the 2026 Convertible Debentures received approximately \$1,024.58 for each \$1,000 principal amount of 2026 Convertible Debentures redeemed, representing their par value, plus all accrued and unpaid interest.

During the fourth quarter of 2025, the Fund completed an SIB, pursuant to which Chemtrade acquired all the tendered 2027 Convertible Debentures, for total consideration of \$115.7 million, (\$85.6 million par value), including all accrued and unpaid interest. Also during the fourth quarter of 2025, the Fund completed the redemption of \$4.9 million aggregate principal amount of the 2027 Convertible Debentures which represented all of the 2027 Convertible Debentures which remained outstanding.

During the fourth quarter of 2025, the Fund completed a second SIB for the 2028 Convertible Debentures. Under the offer, \$8.5 million aggregate principal amount of 2028 Convertible Debentures was tendered for \$1,200 in cash per \$1,000 principal amount, plus accrued and unpaid interest, and \$73.9 million was tendered for \$1,000 principal

amount of 7.00% unsecured subordinated debentures due June 30, 2028 of Chemtrade ("Non-Convertible Debentures"), plus \$200 in cash and accrued and unpaid interest. The Fund issued \$73.9 million aggregate principal amount of Non-Convertible Debentures and paid cash of \$27.0 million. As at December 31, 2025, \$27.5 million aggregate principal amount of 2028 Convertible Debentures remained outstanding.

There was a net increase in borrowings from our Credit Facilities of \$159.1 million and \$206.9 million during the three months and year ended December 31, 2025 respectively, compared with a net increase of \$35.8 million and a net decrease \$161.8 million, respectively, for the same periods of 2024. The increase in borrowings for 2025 was mainly to fund the Polytec acquisition. The decrease in borrowings for 2024 was a result of using proceeds received from the issuance of the 2029 Notes.

Distributions paid to Unitholders, net of distributions reinvested during the three months and year ended December 31, 2025 were \$19.7 million and \$78.9 million, respectively compared to \$20.0 million and \$76.6 million for the same periods of 2024. The change in distributions paid for the three months and year ended December 31, 2025 relative to 2024 was due to units purchased as part of the NCIB, partially offset by units issued from conversions of Convertible 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 December 31, 2025, we had cash and cash equivalents of \$27.4 million (December 31, 2024 - \$25.5 million) and a Net working capital<sup>(1)</sup> deficit of \$17.2 million (December 31, 2024 - \$106.7 million). The Net working capital deficiency is sufficiently covered by availability under the Credit Facilities. 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

| <b>(\$'000)</b>                       | <b>December 31, 2025</b> |                  | <b>December 31, 2024</b> |                |
|---------------------------------------|--------------------------|------------------|--------------------------|----------------|
| Long-term debt <sup>(1)</sup>         | \$                       | 991,226          | \$                       | 343,295        |
| Convertible Debentures <sup>(1)</sup> |                          | 25,534           |                          | 340,000        |
| <b>Total debt <sup>(2)</sup></b>      | <b>\$</b>                | <b>1,016,760</b> | <b>\$</b>                | <b>683,295</b> |

<sup>(1)</sup> Principal outstanding amount

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

At December 31, 2025, we had Credit Facilities of approximately \$823.3 million (US\$600.0 million). At December 31, 2025, we had drawn \$292.3 million on our Credit Facilities. Additionally, we had committed a total of \$22.8 million of our Credit Facilities towards standby letters of credit. At December 31, 2025, we had undrawn US\$370.3 million on our Credit Facilities.

In March 2024, we amended our Credit Facilities to replace Canadian Bankers' Acceptance rate with CORRA. In October 2024, Chemtrade amended certain terms of its Credit Facilities by extending the maturity of the facility to October 2028. In October 2025, Chemtrade further amended certain terms of its Credit Facilities to extend the maturity of the facility to October 2030. See [Recent Developments](#) on page 6.

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

During the third quarter of 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.

In October 2025, Chemtrade closed its private offering of \$250.0 million aggregate principal amount of 5.750% Notes due October 1, 2032, and incurred transaction costs of \$4.6 million. The 2032 Notes include early redemption options allowing Chemtrade to redeem the 2032 Notes at a premium, in cash, any time prior to October 1, 2028 and at principal any time after October 1, 2030.

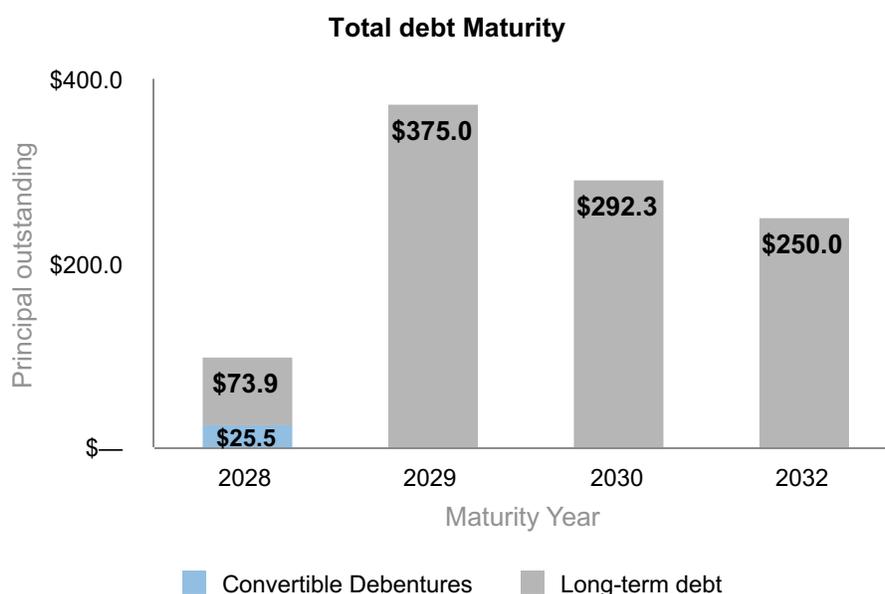
During the third quarter of 2025, Chemtrade redeemed the remaining outstanding 2026 Convertible Debentures for \$1,000 of principal amount of Convertible Debentures. \$100.0 million aggregate principal amount were redeemed. During the fourth quarter of 2025, Chemtrade retired the outstanding 2027 Convertible Debentures through an SIB to repurchase \$85.6 million aggregate principal amount of 2027 Convertible Debentures for total consideration of \$115.7 million and a redemption of the remaining outstanding \$4.9 million principal amount of 2027 Convertible Debentures. Also during the fourth quarter of 2025, Chemtrade completed an SIB to repurchase \$82.5 million aggregate principal amount of 2028 Convertible Debentures. A total of \$8.4 million aggregate principal amount of 2028 Convertible Debentures were repurchased for cash and \$73.9 million aggregate principal amount of 2028 Convertible Debentures were repurchased in exchange for new 2028 Non-Convertible Debentures of equal value plus a cash premium. Refer to [Recent Developments](#) on page 6.

Our Convertible Debentures as at December 31, 2025 are described in the table below:

|  | <b>2028 Convertible<br/>Debentures</b> |        |
|--|--|--------|
| Maturity                                   | June 30, 2028                          |        |
| Interest Rate                              |  | 7.00 % |
| Principal outstanding at December 31, 2025 | \$                                     | 25.5   |
| Conversion Price per unit                  | \$                                     | 12.85  |

<sup>(1)</sup> At December 31, 2025, the market value of the outstanding Convertible Debentures was \$31.0 million.

The graph below shows the maturity of our Total debt as at December 31, 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 December 31, 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 months and year ended December 31, 2025, we reclassified \$nil and \$nil, respectively (2024 - \$0.9 million and \$6.1 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 months and year ended December 31, 2025, we recognized losses of \$0.8 million and \$5.1 million, respectively (2024 - gain of \$2.9 million and a loss of \$3.9 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 at the time 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 Consolidated Statements of Financial Position.

We partially hedge our investment in foreign operations that use the USD as their functional currency with our designated amount of 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 December 31, 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 December 31, 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)                                   | December 31,<br>2025 | December 31,<br>2024 | \$ Change | % Change |
|--|----------------------|----------------------|-----------|----------|
| <b>ASSETS</b>                              |                      |                      |           |          |
| Trade and other receivables                | 199,672              | 148,085              | 51,587    | 35       |
| Income taxes receivable                    | 19,382               | 5,498                | 13,884    | 253      |
| Prepaid expenses and other assets          | 32,559               | 20,689               | 11,870    | 57       |
| Intangible Assets                          | 731,198              | 541,952              | 189,246   | 35       |
| Deferred tax assets                        | 21,269               | 47,996               | (26,727)  | (56)     |
| <b>LIABILITIES and UNITHOLDERS' EQUITY</b> |                      |                      |           |          |
| Provisions                                 | 20,820               | 49,265               | (28,445)  | (58)     |
| Convertible Debentures                     | 30,960               | 356,596              | (325,636) | (91)     |
| Long-term debt                             | 977,054              | 336,250              | 640,804   | 191      |
| Long-term lease liabilities                | 132,352              | 148,268              | (15,916)  | (11)     |
| Contributed Surplus                        | 46,365               | 26,384               | 19,981    | 76       |
| Accumulated other comprehensive income     | 213,363              | 257,714              | (44,351)  | (17)     |

|  |  |
|--|--|
| <b>Trade and other receivables</b>                   | Apart from the receivables acquired through Polytec, the increase is primarily due to the timing of collections from customers, lower level of factored receivables as of December 31, 2025 compared with December 31, 2024 and higher revenue during the fourth quarter of 2025 relative to the fourth quarter of 2024. |
| <b>Income tax receivable</b>                         | Increase is primarily due to income tax installments in excess of estimated current tax liability, refunds related to taxes paid in relation to the prior year, partially offset by tax payables recorded in relation to the acquisition of Polytec.   |
| <b>Prepaid expenses and other assets</b>             | Increase is primarily due to change in fair value in the cash-settled unit swaps, foreign exchange contracts and interest rate swaps.  |
| <b>Deferred tax assets</b>                           | Decrease is primarily due to an increase in deferred tax liabilities related to property, plant and equipment and intangible assets arising from the acquisition of Polytec.   |
| <b>Intangible Assets</b>                             | Increase is primarily due to the acquisition of customer relationships and goodwill upon the acquisition of Polytec and the acquisition of customer relationships from Thatcher, partially offset by amortization.   |
| <b>Provisions</b>                                    | The decrease is primarily due to payment of legal provisions related to the Superior lawsuit of \$28.1 million.  |
| <b>Convertible unsecured subordinated debentures</b> | The decrease is due to the redemption of the Fund's 2026 Convertible Debentures, the elimination of the 2027 Convertible Debentures through a combination of an SIB, unit conversions followed by redemption, and the completion of an SIB on the 2028 Convertible Debentures.   |
| <b>Long-term debt</b>                                | Increase is primarily due to the issuance of additional 2029 Notes, the issuance of the 2032 Notes, increased borrowings on our Credit Facilities to fund the Polytec Acquisition and the issuance of the 2028 Non-Convertible Debentures as part of the SIB on the 2023 7.00% Convertible Debentures.                   |
| <b>Long-term lease liabilities</b>                   | Decrease is primarily due to changes in real estate leases, foreign exchange rate changes and lease payments, partially offset by lease liability additions from new leases and renewal of expiring leases.  |
| <b>Contributed Surplus</b>                           | Increase is 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.  |
| <b>Accumulated other comprehensive income</b>        | Decrease is primarily due to the effect of the change in the foreign exchange rates on our foreign operations.   |

## SUMMARY OF QUARTERLY RESULTS

| (\$ millions)                             | Q4 2025  | Q3 2025  | Q2 2025  | Q1 2025  | Q4 2024  | Q3 2024  | Q2 2024  | Q1 2024  |
|---|----------|----------|----------|----------|----------|----------|----------|----------|
| Revenue                                   | \$ 502.0 | \$ 532.8 | \$ 496.7 | \$ 466.3 | \$ 446.5 | \$ 474.1 | \$ 448.1 | \$ 418.2 |
| Cost of sales and services                | (416.1)  | (390.9)  | (368.5)  | (362.2)  | (347.9)  | (348.9)  | (339.5)  | (320.2)  |
| Gross profit                              | 85.9     | 141.9    | 128.2    | 104.1    | 98.6     | 125.2    | 108.6    | 98.0     |
| Selling and administrative expenses:      |          |          |          |          |          |          |          |          |
| Unrealized foreign exchange gain (loss)   | 4.9      | (0.6)    | 7.6      | 6.0      | (21.4)   | 1.3      | (2.1)    | (5.2)    |
| Realized foreign exchange (loss) gain     | (1.7)    | —        | 0.4      | (4.4)    | (5.0)    | 2.2      | (3.5)    | (1.4)    |
| LTIP                                      | (9.8)    | (11.2)   | (5.7)    | (2.8)    | (4.5)    | (9.3)    | (6.0)    | (3.6)    |
| Other                                     | (36.4)   | (34.8)   | (36.4)   | (31.7)   | (34.9)   | (29.4)   | (32.5)   | (28.0)   |
| Total selling and administrative expenses | (43.0)   | (46.6)   | (34.1)   | (32.9)   | (65.8)   | (35.2)   | (44.1)   | (38.2)   |
| Impairment of Joint Venture               | —        | —        | —        | —        | (3.8)    | —        | —        | —        |
| Impairment of PPE                         | —        | —        | (43.5)   | —        | —        | —        | —        | —        |
| Operating income                          | 42.9     | 95.2     | 50.5     | 71.2     | 29.0     | 90.0     | 64.5     | 59.8     |
| Net finance costs:                        |          |          |          |          |          |          |          |          |
| FV Adjustments                            | 17.1     | (37.4)   | (18.2)   | 6.9      | 2.0      | (1.6)    | (24.4)   | 7.8      |
| Accretion Expense                         | (1.7)    | (1.0)    | (1.3)    | (1.7)    | (1.3)    | (1.1)    | (1.2)    | (1.1)    |
| Debt issuance and extinguishment costs    | (2.9)    | —        | —        | —        | —        | (0.9)    | —        | —        |
| Net Interest Expense                      | (15.5)   | (17.0)   | (16.1)   | (13.1)   | (12.2)   | (12.5)   | (13.7)   | (12.3)   |
| Interest on Superior lawsuit              | —        | —        | —        | (2.6)    | —        | —        | —        | —        |
| Total net finance (costs) income          | (3.0)    | (55.4)   | (35.6)   | (10.5)   | (11.5)   | (16.1)   | (39.3)   | (5.6)    |
| Income tax expense                        | (1.6)    | 2.5      | (5.3)    | (11.6)   | (7.2)    | (13.8)   | (10.6)   | (12.2)   |
| Net earnings                              | \$ 38.3  | \$ 42.3  | \$ 9.5   | \$ 49.1  | \$ 10.3  | \$ 60.1  | \$ 14.6  | \$ 42.0  |
| Adjusted EBITDA                           | \$ 98.2  | \$ 151.2 | \$ 138.0 | \$ 120.1 | \$ 108.6 | \$ 137.2 | \$ 115.1 | \$ 109.9 |
| Net earnings per unit                     | \$ 0.34  | \$ 0.38  | \$ 0.09  | \$ 0.42  | \$ 0.09  | \$ 0.51  | \$ 0.12  | \$ 0.36  |
| Diluted net earnings per unit             | \$ 0.18  | \$ 0.38  | \$ 0.09  | \$ 0.30  | \$ 0.09  | \$ 0.40  | \$ 0.12  | \$ 0.25  |

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 fourth quarter of 2025 decreased compared to the same period in 2024, primarily driven by lower MECU sales volumes and netbacks in the EC segment, higher costs for sodium nitrite and ultrapure sulphuric acid in the SWC segment, and lower margins for water solutions products in the SWC segment where higher selling prices did not fully offset higher raw material costs. 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 third quarter of 2024 was negatively affected by the work stoppage at Canadian railways. 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.

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

## OUTSTANDING SECURITIES OF THE FUND

As at March 5, 2026 and December 31, 2025, the following units and securities convertible into our units were issued and outstanding:

|  | Maturity             | March 5, 2026          |                    | December 31, 2025      |                    |
|--|----------------------|------------------------|--------------------|------------------------|--------------------|
|  |                      | Convertible Securities | Units              | Convertible Securities | Units              |
| <b>Units outstanding</b>   |                      |                        | <b>112,242,594</b> |                        | <b>114,179,394</b> |
| <b>Convertible Debentures <sup>(1)</sup></b>   | <b>June 30, 2028</b> | <b>25,534</b>          | <b>1,987,082</b>   | <b>25,534</b>          | <b>1,987,082</b>   |
| <b>Units outstanding and issuable upon conversion of Convertible Debentures</b>                    |                      |                        | <b>114,229,676</b> |                        | <b>116,166,476</b> |
| <b>Deferred units plan <sup>(2)(3)</sup></b>   |                      | <b>\$ 11,587</b>       | <b>766,842</b>     | <b>\$ 11,228</b>       | <b>761,215</b>     |
| <b>Units outstanding and issuable upon conversion of Convertible Debentures and Deferred units</b> |                      |                        | <b>114,996,518</b> |                        | <b>116,927,691</b> |

<sup>(1)</sup> Convertible at \$12.85 per unit

<sup>(2)</sup> Based on \$15.11 and \$14.75, the closing price of a unit on the TSX on March 5, 2026 and December 31, 2025, respectively

<sup>(3)</sup> 233,158 and 238,785 deferred units were available for future grants as at March 5, 2026 and December 31, 2025, respectively

## CONTRACTUAL OBLIGATIONS

Information concerning contractual obligations at December 31, 2025 is shown below:

| <b>Contractual Obligations (\$'000)</b> | <b>Total</b>        | <b>Less Than 1 Year</b> | <b>2-3 Years</b>  | <b>4-5 Years</b>  | <b>After 5 Years</b> |
|---|---------------------|-------------------------|-------------------|-------------------|----------------------|
| Long-term debt                          | \$ 991,226          | \$ —                    | \$ 73,917         | \$ 667,309        | \$ 250,000           |
| Convertible Debentures                  | 25,534              | —                       | 25,534            | —                 | —                    |
| Purchase commitments                    | 44,875              | 44,875                  | —                 | —                 | —                    |
| Interest on Convertible Debentures      | 4,461               | 1,787                   | 2,674             | —                 | —                    |
| Interest on long-term debt              | 272,804             | 55,716                  | 117,254           | 74,668            | 25,166               |
| Lease payments                          | 262,903             | 69,457                  | 110,179           | 50,162            | 33,105               |
| Trade and other payables                | 345,494             | 345,494                 | —                 | —                 | —                    |
| Distributions payable                   | 6,567               | 6,567                   | —                 | —                 | —                    |
| <b>Total contractual obligations</b>    | <b>\$ 1,953,864</b> | <b>\$ 523,896</b>       | <b>\$ 329,558</b> | <b>\$ 792,139</b> | <b>\$ 308,271</b>    |

## RELATED PARTIES

### Key Management Personnel Compensation

Key management personnel is comprised of our trustees and the senior leadership team. Trustees receive compensation in the form of an annual retainer. In addition to their salaries, we also provide other benefits to the senior leadership team. One such benefit is the contribution to a post-employment defined contribution plan on their behalf. Once the contribution reaches the limit allowed under the Income Tax Act (Canada), additional contributions are made to a non-registered account. We provide a basic contribution of 4% of base salary for plan participants. They can make additional voluntary contributions up to 2% of their base salary, and we match each dollar contributed up to 2% for a total of 6% of base salary. Contributions to the defined contribution plan vest immediately. These plans for the senior leadership team are identical to the plans offered to all employees in the same jurisdiction.

We offer a 401(k) plan to employees in the U.S. including key management personnel. The plan is a qualified retirement 401(k) plan, and is self-directed. Participants choose from a range of investment options offered by The Standard, who administers the plan. The interest and earnings on the investments held in the 401(k) plan account vary, and depend on the terms and of the investments chosen. Employees make voluntary contributions on each pay, and we match employee contributions up to 6% of eligible earnings subject to legislated government maximums. Our contributions to the 401(k) plan vest immediately.

The Annual Incentive Compensation (“Annual IC”) plan entitles the senior leadership team to annual cash awards based on (i) our success in achieving financial objectives (financial achievement is weighted at 65% of the total annual IC award) and (ii) their individual success in accomplishing personal objectives (weighted at 35% of the total annual IC award) as set out in their objectives for the fiscal year.

The LTIP as described in our annual consolidated financial statements is designed to align the interests of the participants with the interests of Unitholders. It is a cash plan where payment is triggered upon the successful achievement of pre-defined performance criteria. Each year the Human Capital and Compensation Committee determines the performance period over which performance will be measured. The annual LTIP awards granted have been based on a three-year performance period and the awards vest at the end of the three-year period. The value of this compensation is re-measured at each reporting period based upon changes in the fair value of the awards.

Certain members of the senior leadership team are subject to a mutual term of notice upon termination of employment without cause; they are entitled to termination benefits of 9 to 18 months' gross salary. In addition they are entitled to either their target annual IC or a value based on the most recently completed financial year.

We have in place a deferred unit compensation plan for our non-management trustees, pursuant to which the trustees can elect to take all or a portion of their compensation in the form of our deferred units, with the remainder as a cash payment. Currently, the trustees must take at least 50% of their compensation in the form of our deferred

units. As at December 31, 2025, the market value of these deferred units, which is included in trade and other payables was \$11.2 million (2024 - \$9.1 million).

The key management personnel compensation expense including retirements costs, which is recorded in comprehensive income, is as follows:

|                         | 2025 |        | 2024 |        |
|-------------------------|------|--------|------|--------|
| Short-term compensation | \$   | 10,358 | \$   | 9,736  |
| LTIP                    |      | 23,972 |      | 17,434 |
|                         | \$   | 34,330 | \$   | 27,170 |

## FINANCIAL OUTLOOK

Chemtrade expects its 2026 Adjusted EBITDA to range between \$485.0 million and \$525.0 million. Based on the mid-point of the 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 of close to 2.5x and an implied Payout ratio of ~45%.

Chemtrade's Adjusted EBITDA for 2025 of \$507.4 million was a record year surpassing 2023, when Chemtrade generated Adjusted EBITDA of \$502.6 million. The midpoint of 2026 guidance is similar to 2025 Adjusted EBITDA and reinforces the significant step-change in Chemtrade's Adjusted EBITDA and cashflow generation in the last five years.

| (\$ million)                                    | 2026 Guidance     | Year end Actual   |                   |
|---|-------------------|-------------------|-------------------|
|   |                   | December 31, 2025 | December 31, 2024 |
| Adjusted EBITDA                                 | \$485.0 - \$525.0 | \$507.4           | \$470.8           |
| Maintenance capital expenditures <sup>(1)</sup> | \$120.0 - \$150.0 | \$123.5           | \$104.5           |
| Growth capital expenditures <sup>(1)</sup>      | \$35.0 - \$55.0   | \$48.2            | \$81.3            |
| Lease payments                                  | \$70.0 - \$80.0   | \$70.0            | \$65.4            |
| Cash interest <sup>(1)</sup>                    | \$65.0 - \$75.0   | \$54.9            | \$45.7            |
| Cash tax <sup>(1)</sup>                         | \$35.0 - \$45.0   | \$31.0            | \$42.1            |

<sup>(1)</sup> 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 60.

Our 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 our AIF) incurs significant unplanned downtime.
- No labour disruptions at any of our principal manufacturing facilities (as set out in our AIF).
- The biennial turnaround at the North Vancouver chlor-alkali facility is executed as planned.

| Key Assumptions   | 2026 Assumptions | 2025 Actual | 2024 Actual |
|---|------------------|-------------|-------------|
| Approximate North American MECU sales volumes                         | 171,000          | 170,000     | 172,000     |
| 2025 realized MECU netback being lower than 2024 (per MECU)           | CAD (\$155)      | N/A         | N/A         |
| Average CMA NE Asia Caustic spot price index per tonne <sup>(1)</sup> | US\$450          | US\$435     | US\$385     |
| Approximate North American production volumes of sodium chlorate      | 254,000          | 273,000     | 270,000     |
| USD to CAD average foreign exchange rate                              | 1.375            | 1.397       | 1.370       |
| LTIP costs (in millions)  | \$22.0 - \$28.0  | \$29.4      | \$23.3      |

<sup>(1)</sup> The average CMA NE Asia Caustic spot price for 2026, 2025 and 2024 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.

### 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 2026, we plan to invest between \$35.0 million and \$55.0 million in Growth capital expenditures, with a focus on water treatment chemicals projects.

### Capital Allocation Update

In January 2026 we increased our monthly distribution of 5.75 cents per month to 6.00 cents per month effective with the distribution declared in January 2026. This is the third consecutive year of increased distributions. In January 2024, we raised our distribution by 10% to 5.5 cents per month and in January 2025, we raised our distribution by approximately 5% to 5.75 cents per month. This distribution represents a Payout ratio of ~45% based on the mid-point of our 2026 guidance. The increase in the level of cash distributions is expected to have a minimal impact on our leverage and is not expected to impede our strategic objectives, including executing our growth initiatives and maintaining a healthy balance sheet.

During the first six months of 2025, we purchased approximately 6.1 million units as part of an NCIB which expired in June 2025. During the third quarter of 2025, we implemented another NCIB under which we are authorized to purchase up to 11.2 million of our units over a 12 month period ending August 18, 2026. As of December 31, 2025, we purchased 1.9 million units as part of the new NCIB. In aggregate, we purchased approximately 8.9 million units during the year under the two NCIBs.

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.

## RISKS AND UNCERTAINTIES

We operate a diversified business providing industrial chemicals and services to customers in North America and around the world. We are 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. We are 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. We face various risks associated with our business. These risks include, amongst others, a general reduction in demand for our products, the loss of a portion of our customer base, the interruption of the supply of products or raw materials, price fluctuations in the products sold and/or raw materials purchased, industry capacity, capital project execution, acquisition integration and operational, transportation and product hazard risks associated with the nature of our business. We import key raw materials and products from overseas and as such have additional risks associated with the sourcing activity. We make extensive use of the railway system to transport material within North America. Certain locations are serviced by a sole carrier and thus a disruption in service or changes to the regulatory environment relating to transportation could have a significant negative impact on results. In addition, we sell a significant portion of our major products to large customers. While many of these customers are under contract, there can be no assurance that these contracts will be renewed. As our business is international in nature, we are exposed to foreign exchange risks related to the payment of dividends and other transactions by our foreign subsidiaries. For a more detailed discussion of our risks, please refer to the **RISK FACTORS** section of the most recently filed AIF.

We manage the risks associated with our customer base and sales prices by seeking to obtain contractual protection to mitigate these risks. We also seek to differentiate our products and services with customers to mitigate price fluctuations and use our scale to obtain beneficial raw material contracts.

Our Board of Trustees annually reviews a framework identifying the principal risks of our business, and ensures the implementation of appropriate systems to manage these risks. The Audit Committee reviews major financial risks, the systems implemented to monitor those risks and the strategies in place to manage those risks. Our Responsible Care Committee reviews major operational risks, the systems implemented to monitor those risks and the strategies in place to manage those risks. The Human Capital and Compensation Committee reviews our executive compensation programs to ensure they do not incentivize excessive risk-taking. The Governance and Nominating Committee oversees the allocation of risk oversight amongst the Board and its committees. In addition, we maintain an extensive insurance program which includes general liability and environmental coverage.

### Principal manufacturing facilities

Our EC segment relies on the following key facilities for a significant amount of its production:

- Brandon, Manitoba: for all of our North American sodium chlorate production. Brandon is also our lowest cost source of production
- North Vancouver, British Columbia: for all of our North American chlor-alkali production

- Two plants at one site in Brazil: for all of our sodium chlorate and chlor-alkali production in South America.

The SWC segment's Anacortes, Washington, Beaumont, Texas, Celina, Texas, Cairo, Ohio, East St. Louis, Illinois, Fort McMurray, Alberta, Fort Saskatchewan, Alberta, Richmond, California, Syracuse, New York, Toledo, Ohio and Tulsa, Oklahoma facilities are also principal manufacturing facilities.

Significant unscheduled downtime at any of our principal manufacturing facilities could have a material adverse effect on our business, financial condition, and/or results of operations. Many things can result in unanticipated downtime, including equipment breakdowns, interruptions in the supply of raw materials or energy, power failures, sabotage, natural forces (including seismic activity), impacts of a pandemic or epidemic, or other normal hazards associated with the production of chemicals. We cannot provide any assurance that a significant interruption in the operation of any of our principal manufacturing facilities would be covered by insurance or would not otherwise have a material adverse effect on our business, financial condition, and/or results of operations.

#### North Vancouver, British Columbia

A portion of the land that the EC segment's North Vancouver, British Columbia facility is situated on is leased from the Vancouver Fraser Port Authority (the "Port"). After June 30, 2030, the lease restricts us from using the leased premises to receive, manufacture, store, and distribute liquid chlorine. On April 10, 2025, Chemtrade entered into a non-binding letter of intent ("LOI") with the Port to extend its land lease until December 31, 2044. The land lease covers a portion of the site and will be on similar terms to the existing lease, including restrictions on the receipt, manufacture, storage and distribution of liquid chlorine commencing July 1, 2030.

The original lease terminates on June 30, 2032. At that time, the Port has the right to exercise an option to purchase the part of the land we own. We have entered into negotiations with the Port regarding the extension of the lease, but not finding a satisfactory outcome could have a material adverse effect on our business, financial condition, and/or results of operations.

The remainder of our North Vancouver, British Columbia facility is situated on land owned by Chemtrade. These lands are subject to the jurisdiction of the District of North Vancouver ("District"). Changes to the facility which are required or desirable for safety, operational or other reasons may require a development variance permit, rezoning, or other authorization or approval by the District. Further to this, as noted above, we have submitted an application for rezoning with the District. If Chemtrade is unable to obtain such authorization(s) or approval(s), including for our rezoning application, it could have a material adverse effect on our business, financial condition, and/or result of our operations.

#### Market for chlor-alkali

The global market for the EC segment's chlor-alkali products is cyclical, and particularly sensitive to general economic trends, and to trends in the construction, pulp and paper, and oil and gas industries. A disruption or downturn in the general economy or in any of these industries, or additional chlor-alkali production capacity in the market, could have a material adverse effect on our business, financial condition, and/or results of operations. The selling prices of chlor-alkali products have been cyclical, depending on the price for imported caustic soda and the

level of activity in the fracking industry. A downturn in chlor-alkali pricing, among other things, could have a material adverse effect on our business, financial condition, and/or results of operations.

### Tariffs, trade restrictions and disputes

We depend on the free flow of goods across the Canada-U.S. border and have significant exposure to disruptions in Canadian-U.S. trade relations. Trade restrictions, including tariffs, quotas, embargoes, safeguards, and customs restrictions, could increase the cost or reduce the supply of products available to us and our customers, or could require us to modify our current business practices. In particular, the current government administration in the United States continues to impose tariffs on goods imported into the United States from Canada. Chemtrade exports a number of products from Canada into the United States including chlor-alkali, sulphuric acid and sodium chlorate. Where applicable, we pass any additional costs owing to tariffs on to customers; however, it remains possible we may be unsuccessful in fully recovering such costs. The ongoing tariff scheme continues to have widespread effects across our entire supply chain and could decrease U.S. demand for our products, which could cause us to have to change our business operations and/or strategy. The Canadian government has maintained counter tariffs on goods imported into Canada from the United States as a result of the United States tariffs on Canadian imported goods. There is no assurance that any discussions taking place between the U.S. and Canadian governments, will result in a removal of tariffs. It remains unclear the extent to which additional duties, tariffs, and/or other trade restrictions or other similar measures may be imposed by the United States or other countries, whether and if any changes to the currently announced tariffs will be applied, how long they may be in effect, the extent to which further retaliatory measures will be imposed, and whether other factors will support a pass through of all or a part of the tariffs to the market. It is difficult to predict the general impact of such tariffs across Chemtrade's value chain. The disruptions caused by the threat or imposition of trade restrictions including tariffs (or increases in the rate and/or scope thereof) could have a material adverse effect on our business, financial condition, and/or results of operations.

### Raw materials - cost and access

Having an adequate supply of raw materials at reasonable prices and on acceptable terms is critical to our success. In particular:

- our EC segment requires electrical power for our operations. Electricity accounts for between two-thirds and three-quarters of the EC segment's total variable production costs.
- our EC segment requires significant quantities of salt brine for chlor-alkali and sodium chlorate production. Salt accounts for almost a quarter of the EC segment's total variable production costs.
- our SWC segment relies on an alumina source it uses as a raw material for the production of water treatment chemicals and zinc dust supply for the production of SHS
- some of our plants have access to only one rail carrier for the delivery of raw materials
- some of our raw materials are shipped from overseas, including Asian markets

We try to mitigate the effect and unpredictability of the cost of power by locating facilities in regions that have relatively low-cost, regulated, hydroelectric power markets. We are, however, susceptible to changes in power prices in any of the markets we operate in. While this risk is greater in deregulated electricity markets like that in which we purchase electricity in Brazil, there is always a risk of regulatory or governmental changes in jurisdictions that are regulated. Electricity prices are generally influenced by regional or domestic factors.

Many of our key raw materials are supplied externally by third parties with pricing influenced by market conditions.

Chemtrade's procurement team establishes sourcing strategies to address risks and mitigate these market fluctuations, deploys strong supplier relationship management practices and ensures contractual agreements are in place to provide reliability of supply.

### **Sales price and volumes for sodium chlorate and chlor-alkali**

Every \$50 change in the price per MT of North American produced sodium chlorate would have an impact on earnings before income taxes of approximately \$13.7 million per annum. Every \$100 change in the price per MECU of chlor-alkali products produced in North America would have an impact on earnings before income taxes of approximately \$17.0 million per annum. These sensitivities to changes in prices are based on approximately 273,000 MT of North American sodium chlorate sales and 170,000 MECU of North American chlor-alkali sales for the year ended December 31, 2025.

A change in sales volumes for North American sodium chlorate of 10,000 MT would have an impact on earnings before income taxes of approximately \$5.4 million per annum. A change in sales volumes for North American chlor-alkali products of 5,000 MECU would have an impact on earnings before income taxes of approximately \$7.7 million per annum.

### **Sulphuric Acid Pricing**

A change in sulphuric acid pricing, net of freight, of \$10 per tonne would have an impact on annual revenues in North America of approximately \$9.8 million. In any specific period, the exact impact would depend upon the volumes that is subject to sales contracts where pricing has been fixed for a period of time. The magnitude of realized price changes also depends upon regional market dynamics. It is difficult to reliably estimate the impact of price changes on earnings as this depends upon the volumes subject to risk-sharing supply contracts and changes in sulphur costs for manufactured sulphuric acid. These factors lessen the impact of price changes on earnings relative to revenue.

Below are sensitivities to changes in key raw material and input costs:

### **Electricity Price**

Every four percent change in the price of electricity in North America would have an impact on earnings before income taxes of approximately \$3.7 million per annum. This sensitivity to changes in electricity prices is based on North American electricity consumption of approximately 1,869,000 megawatt hours for the year ended

December 31, 2025. A four percent change in the price of electricity in North America is considered reasonable given historical price changes and market expectations for future movement.

### Salt Costs

We use salt in the manufacturing of our sodium chlorate and chlor-alkali products. At current operating levels, an increase of \$2 per tonne of salt prices in North America would have an impact of approximately \$0.9 million per annum on earnings before income taxes.

### Sulphur Costs

We use sulphur in the manufacturing of several of our products, including sulphuric acid. At current operating levels, an increase of \$10 per tonne would have an impact of approximately \$1.3 million per annum on cost of sales and services. It is important to note that a change in the cost of sulphur is likely to lead to a change in the price for sulphuric acid as this is a key input cost in the manufacturing of sulphuric acid. Thus, the net impact on earnings of changes in sulphur costs would depend upon changes in sulphuric acid pricing.

### Reliance on specific industries

Current global economic conditions have been characterized by increased volatility and uncertainty, making demand forecasts for our products uncertain. Many of the products we sell significantly depend on the pulp, paper, petroleum refineries, semiconductor, and base metals industries. For example, the EC segment is particularly reliant on the pulp industry, on both a regional and global scale and a decline in the pulp industry would result in decreased demand for sodium chlorate and caustic soda. Further, our ultrapure sulphuric acid, including organic growth projects related to this product, relies on the semiconductor industry. A significant reduction in demand or throughput in any of these industries could have a material adverse effect on our business, financial condition, and/or results of operations.

### Cybersecurity and misinformation/disinformation

We rely on management information and computer control systems to run our business and operate our facilities. With our increasing dependence on these systems, the risks associated with cybersecurity also escalate. The advent of Artificial Intelligence ("AI") offers substantial benefits for enhancing our business operations. However, it also introduces new complexities in our cybersecurity defenses, with the integrity of information increasingly under threat as it becomes harder to distinguish between authentic and synthetic content (such as deepfakes). We are actively integrating advanced security measures and governance controls to address these challenges, demonstrating our commitment to both technological advancement and robust cybersecurity. More details about our cybersecurity risk identification and management practices can be found in our most recent management information circular, which is available on our website ([www.chemtradelogistics.com](http://www.chemtradelogistics.com)) and SEDAR+ ([www.sedarplus.com](http://www.sedarplus.com)). However, these measures and technologies may not completely prevent security breaches, including ransomware attacks. Business, transportation and supply chain disruptions, plant and utility outages and information technology system interruptions, compromises to our information and control systems, and network

disruptions resulting from cyber-attacks could have a material adverse effect on our business, financial condition, results of operations, and/or reputation.

The risk exists of Chemtrade personnel, contractors, agents, customers, regulators, government entities, or any person(s) we interact with acting upon disinformation or misinformation, whether arising from hacking, malice or ignorance on the part of the source of information. Actions or decisions based on misinformation or disinformation could have a material adverse effect on our business, financial condition, results of operations, and/or reputation.

## Transportation

We rely heavily on rail and truck transportation to ship raw materials to our manufacturing facilities and to deliver finished products to our customers. This exposes us to a number of risks, including the risk of loss of life or property caused by product release during an accident, higher costs due in part to changes in regulations, and service slowdowns, delay, and/or interruptions that can affect our operations.

### Contracts and insurance

We enter into contracts with truck carriers that require appropriate safety standards and levels of insurance. Rail carriers require us to provide additional insurance and accept certain mandated or contractual liabilities. We have insurance in place to cover certain transportation-related risks, like accidental spills or releases during transit. There can be no assurance, however, that the coverage will respond or be adequate to compensate for a catastrophic loss, including exposure to so-called "nuclear jury verdicts" as become increasingly more common in some U.S. jurisdictions. All of which could have a material adverse effect on our business, financial condition, and/or results of operations.

### Transportation costs

The cost of rail and truck transportation has been increasing for a number of years for several reasons:

- there has been a shortage of truck drivers across North America for a number of years which is expected to continue or increase
- railroads have either chosen to or have been required to make changes in their operations that have increased their costs, and they have passed these costs through to shippers
- Toxic Inhalation Hazard ("TIH") and Highly Hazardous Materials ("HHM") transportation regulations result in higher costs for Chemtrade, reduced service and potential restrictions. These shipments require special consideration and higher levels of security, which may result in constraints in transportation and higher costs to Chemtrade. Chemtrade's products that are classified as TIHs are chlorine, and hydrogen sulfide ("H<sub>2</sub>S"). We also purchase and are responsible for safe transportation of sulphur dioxide ("SO<sub>2</sub>") which is used as a raw material.

- our insurance costs have also increased, both directly and indirectly (i) as railway companies shift liability (including third party liability) to us for shipping TIHs under both tariffs and contracts, and (ii) as truck carriers pass on their own increased insurance costs.

These costs could have a material adverse effect on our business, financial condition, and/or results of operations.

## Regulations

There is a continued and increasing regulatory focus on the shipment of hazardous products by rail. A large majority of Chemtrade's products are classified as hazardous products. In conjunction with many shipper organizations, we continue to lobby and educate the Canadian and American governments regarding the criticality of a reliable, efficient, and cost effective transportation network across North America. We cannot predict the additional requirements and costs that may result from increasing regulation. These costs could have a material adverse effect on our business, financial condition, and/or results of operations.

## Accessibility of Facilities

To maintain ongoing operations, it is imperative to have free flow of inbound raw material and outbound finished goods at our manufacturing sites. We make extensive use of the railway system to transport our products and raw materials within North America. A majority of our locations are serviced by a single rail carrier, which means a disruption in service could have a significant negative impact on our business, financial condition, and/or results of operations. Inbound raw material to our North Vancouver, British Columbia site arrives by ship. These ships must meet strict draft requirements in order to navigate the Burrard Inlet to reach our site berth. Our Valleyfield, Québec site is located on an island with only one rail and road connection to the facility which, if damaged, would impact access.

## Physical risks from extreme weather and climate change

Many of our facilities are in areas that are at risk of extreme weather events, including hurricanes, tornadoes, tropical storms, floods, drought, wildfires, extreme cold, winter storms, or other severe weather conditions or seismic events. Further, the effects of climate change, such as more extreme temperatures, drought, flooding and extreme weather events, pose a risk to the operation of our facilities. There is also a risk that our customers, industrial producers, suppliers, and transportation networks could also be impacted by these factors.

Specifically, several of our facilities and customers are in the Gulf Region of the southern U.S., which is susceptible to hurricanes and other extreme weather events. Our Tulsa, Oklahoma facility is located in a tornado-prone area. Our sites have experienced hurricanes on the east and west coasts of the United States, flooding in British Columbia affecting rail transportation and wild fires affecting our Fort McMurray, Alberta site and more generally, the east and west coasts of Canada and the U.S. We have several facilities on the west coast of North America (two facilities in California and three in British Columbia), which is susceptible to earthquakes. The Richmond, California facility conducts seismic surveys of the entire site every five years.

Investors are increasingly concerned about climate risk and may determine that our business' exposure to climate change is greater than that of other businesses, or that management is not reacting to climate change risks with sufficient timeliness or effectiveness and choose to divest of their Chemtrade holdings.

While we have insurance that covers certain extreme weather events, there can be no assurance that it will compensate for losses related to severe weather conditions or seismic events, including but not limited to the above events. The occurrence of any of these events could have a material adverse effect on our business, financial condition, and/or results of operations.

### Execution of growth strategy

Our strategy involves growing our size and scale and expanding our diversity of earnings. To do this, we seek to improve the businesses we own by pursuing organic growth opportunities from: key new products, additional capacity for existing products, and driving increased productivity across the organization. When it makes economic and strategic sense, we also grow by acquiring new businesses.

There are several risks inherent in this growth strategy. There can be no assurance that the organic growth projects we choose to pursue will result in increased earnings, or that we will be successful in realizing the full potential of organic growth opportunities we pursue. The decision to pursue certain projects relies on projected capital expenditures. Actual capital expenditures may be higher than anticipated, projects may be delayed due to lack of or delays in materials, lack of skilled personnel, weather, or other reasons. There is also a risk that the capital could be used ineffectively in the execution of these capital projects. The anticipated market for a growth opportunity may not materialize or competition may be greater than expected. Some of our organic growth projects rely on us or our partners obtaining government funding or some form of subsidy, credit or offset. There can be no assurance that such funding, subsidy, credit or offset will be obtained or continued. The proposed project for our joint venture KPCT Advanced Chemicals LLC ("KPCT") to build an ultrapure sulphuric acid facility in Arizona, which is currently on hold, is an example of an organic growth project subject to such risks. The failure to achieve the anticipated potential of any growth opportunity could have a material adverse effect on our business, financial condition, and/or results of operations.

Similarly, there can be no assurance that we will identify attractive acquisition candidates, that acquisitions will improve earnings to the extent expected, or that we will be successful in integrating an acquired business. There may also be liabilities that are not or cannot be discovered in our due diligence before closing an acquisition. In particular, to the extent that previous owners of businesses failed to comply with or otherwise violated environmental, anti-trust or any other laws, we, as a successor owner, may be financially responsible for these violations. The discovery of any material liabilities or the occurrence of any of the aforementioned concerns related to acquisitions could have a material adverse effect on our business, financial condition, and/or results of operations.

### Competition

We operate in competitive markets, and some of our competitors have greater economic resources and are well established as suppliers to the markets we serve. These competitors may be better able to withstand volatility within

industries and throughout the economy as a whole while retaining significantly greater operating and financial flexibility.

Reduced demand for products, the stabilization of European energy prices, and increased competition in the North American sodium chlorate market are all factors that could materially impact the financial condition, operations and strategy of our existing sodium chlorate business.

Some of our water treatment products in the SWC segment are sold in regional markets with competitors that may have lower costs, including less of a commitment to environmental, health, safety, security and transportation compliance, and operating excellence. There can be no assurance that competition will not continue or increase, and this may have a material adverse effect on our business, financial condition, and/or results of operations.

Several of our niche water treatment products and services in the SWC segment are sold in select markets. There can be no assurance that these markets will not attract additional competitors that could have greater financial, technological, manufacturing, and/or marketing resources.

### Significant customers and shared services

Several facilities are connected to suppliers or customers by pipeline, and some shared services or facilities with an adjacent facility. These include:

#### SWC segment

- Anacortes, Washington
- Beaumont, Texas
- Fort McMurray, Alberta
- Fort Saskatchewan, Alberta
- Richmond, California

#### EC segment

- Espirito Santo, Brazil

There can be no assurance that we will maintain our relationship with an adjacent facility or continue to obtain supply from, or serve, a customer or supplier at current levels. In addition, there is no assurance that any new agreement we enter into to supply, purchase, or share services or facilities will have terms as favourable as those contained in current arrangements.

Currently, 15 of our customers represent a significant portion (just under a quarter) of our revenue and operate in industries such as pulp and paper and oil refining. A loss of one or more of these customers could have a material adverse effect on our business, financial condition, and/or results of operations. Many of our customer contracts are multi-year agreements, but there can be no assurance that notice of termination will not be given or that these contracts will be renewed at the end of the term.

Less favourable contract terms and conditions under any customer contract or contract for supply, purchase, or shared services or facilities, could have a material adverse effect on our business, financial condition, and/or results of operations.

## Work stoppages

Approximately 31 percent of our workforce is represented by collective agreements with 30 bargaining units/unions, which puts us at risk of work stoppages. In our 24-year history, only one plant has experienced work stoppage consisting of a lockout lasting less than 24 hours and a legal strike lasting five days. We generally have good relations with our employees but there can be no assurance that we will be successful at entering into new collective agreements without work interruptions. Many of our producers, suppliers, service providers, and customers also have employees represented by collective agreements, which could result in work stoppages. A lengthy work interruption could have a material adverse impact on our business, financial condition, and/or results of operations.

## Geopolitical risk

Geopolitical tensions continue with the ongoing war in Ukraine, conflict in the Middle East, and increasing U.S.-China tensions, all having significant global effects, including high energy prices and the erosion of business confidence. Since 2022, increased energy prices in Europe are benefiting our EC segment, but this effect may reverse at any time. Sanctions imposed on Russia by Ukraine's allies have also aggravated supply shortages, particularly energy, across the global economy. Other conflicts, such as in the Middle East, Venezuela, Cuba and Africa, could also have negative effects on supply chains and North American prices. Trade tensions between China and the United States remain elevated, as the competition for technology dominance intensifies and both the United States and China seek to lessen economic dependence on each other. Tensions between the U.S. and Europe, Cuba as well as within North America, have created uncertainty and could adversely affect business investment. It is difficult to predict and mitigate the potential economic and financial effects of trade-related events on the Canadian and U.S. economies (see [Tariffs, trade restrictions and disputes](#)). Starting in 2025, shifting alliances among countries has created uncertainty and the rule of law has been deteriorating. We actively monitor global and North American trends and continually assess our business in the context of these trends.

Any of these concerns could have a material adverse effect on our business, financial condition, and/or results of operations.

## General Economic Conditions and Recession

Our business, financial condition and results from operations are affected by the general economic conditions prevailing in Canada, the United States and other jurisdictions in which we conduct business. Support for protectionism and rising anti-global sentiment in the United States and other countries may slow global growth. In recent years, across North America, growth has been slowing due to aggressive monetary tightening, weaker global demand, rising interest rates, supply constraints, labour shortages and high inflation rates. More recently, some of these pressures such as high inflation and interest rates have been abating. However, the recovery faces headwinds generated by, among other issues, ongoing disruptions to global supply chains, the war in Ukraine and conflict in the Middle-East, volatile oil and natural gas prices, price and wage inflation and labour market challenges. Rising geopolitical tensions are expected to contribute to a decline in growth rates in North American economies through the coming year. Refer to the [Tariffs, trade restrictions and disputes](#) and [Geopolitical Risk](#) risk factors

for further discussion of these risks. Any one or more of these conditions could have a material adverse effect on our business, financial condition, and/or results of operations.

### Contracts with producers, customers, and vendors

Our contracts with industrial producers, customers and certain vendors typically have terms of up to seven years. Although some of these contracts are renewable or renew automatically unless notice of termination is given, there can be no assurance that they will be renewed or that notice of termination will not be given. If we cannot renew these contracts or these contracts are terminated, there could be a material adverse effect on our business, financial condition, and/or results of operations. In particular, we have agreed to make capital expenditures in connection with certain contracts. If the producer or customer fails to renew its contract, we may have surplus facilities. If a contract is terminated with certain vendors, including construction service providers, we may be unable or delayed in obtaining the full benefits expected of our announced organic growth projects.

### Reliance on significant producers

Our SWC segment depends on significant industrial producers: refineries and chemical companies for spent acid, Vale, Sherritt, and others for sulphuric acid, and refineries for sulphur. We have a long standing relationship and contracts with these key partners.

In addition to the above, certain significant events affecting the operations of our major industrial producers could adversely affect our operations, which would have a material adverse effect on our business, financial condition, and/or results of operations.

### Operating and regulatory risks and product hazards

Our revenue depends on the continued operation of our manufacturing facilities, our major producers and suppliers, and our customers.

The operation of manufacturing plants involves many risks, including the failure or substandard performance of equipment, natural disasters, suspension of operations and increased costs or requirements stemming from new government statutes, regulations, guidelines, and policies.

We need environmental and operational registrations, licences, permits, inspections, and other approvals to operate, and to bid on municipal and industrial tenders. Our Fort Saskatchewan, Alberta hydrogen sulphides facility holds a pipeline license which is subject to an appeal of its license approval received and also going through a court process to clarify certain aspects of the Alberta Energy Regulator ("AER") setback requirements. The loss or revocation of a significant permit or licence or the inability to renew it could have a material adverse effect on our business, financial condition, and/or results of operations.

There are also hazards associated with the production, use, handling, processing, storage and transportation of hazardous materials, including in particular chlorine, hydrogen sulphide, liquid SO<sub>2</sub>, hydrochloric acid, SHS powder, sodium chlorate, hydrofluoric acid, sulphuric acid, caustic soda, oleum, carbon disulphide, and anhydrous ammonia.

These materials can cause fatal personal injury, severe damage to and destruction of property and equipment, and environmental damage.

If there is a successful class action or series of claims related to product liability or exposure from a product release that exceeds our insurance coverage, it could have a material adverse effect on our business, financial condition, and/or results of operations. A successful class action or series of claims related to product liability or exposure from a product could have a material adverse effect on our reputation even in the event such successful class action or series of claims does not exceed our insurance coverage. There can be no assurance that there will not be claims of injury by employees or members of the public due to exposure, or alleged exposure, to these materials from our past, present, or future operations. We, and our producers, suppliers, and customers, are also exposed to present and future claims related to workplace exposure, workers' compensation, and other matters. In addition, some of the products we produce or have produced may have adverse health consequences, or are used in human or animal foods, and may be subject to strict liability regimes. There can be no assurance of the amount or timing of any of these liabilities.

Material operational or regulatory problems, including but not limited to the events listed above, could have a material adverse effect on our business, financial condition, results of operations, and/or reputation.

#### **Uninsured and underinsured losses**

The Fund maintains insurance coverage for its potential liabilities and the accidental loss of value of its assets from risks. The trustees review which insurance companies we use, the amount of insurance and terms of coverage, taking into account all relevant factors including the practices of owners of similar assets and operations. We believe we have the insurance amounts and coverage necessary to repair or replace any assets physically damaged or destroyed, including coverage for losses or expenses related to business interruption, and to cover claims for bodily injury or property damage arising out of assets or operations, including from the handling and distribution of hazardous chemicals. Not all risk factors are covered by insurance, however, and no assurance can be given that insurance will be consistently available, will be consistently available on an economically feasible basis, or that the amount of insurance will be sufficient to cover every loss or claim involving our assets or operations. Insufficient insurance coverage for a material loss or claim or an aggregate of losses or claims could have a material adverse effect on our business, financial condition, and/or results of operations.

#### **Environmental laws and regulations**

We are subject to many environmental laws and regulations.

We need environmental registrations, licences, permits, inspections, and other approvals to operate. The loss or delay in receiving a significant permit or license could have a material adverse effect on our business, financial condition, and/or results of operations.

Our facilities may be involved in administrative and judicial proceedings and inquiries relating to environmental, health, safety, security and transportation requirements from time to time. Future proceedings or inquiries could have a material adverse effect on our business, financial condition, and/or results of operations.

Changes to existing environmental, health, and safety requirements or the adoption of new environmental, health, and safety requirements, changes to the enforcement of environmental, health, and safety requirements, and the discovery of additional or unknown conditions at facilities owned, operated or used by Chemtrade, to the extent not covered by indemnity, insurance, or a covenant not to sue, could have a material adverse effect on our business, financial condition, and/or results of operations.

In particular, we operate in jurisdictions where legislative initiatives relating to greenhouse gas ("GHG") and other emissions are being considered or adopted. There has been no material effect on any of our facilities to date, and we continue to follow developments closely. Although it is difficult to know what final regulations may be passed in the jurisdictions where our manufacturing facilities are located, we could face increased capital and operating costs to comply with emissions regulations and these costs could be material.

The potential impact of current and proposed environmental laws and regulations is uncertain. We cannot predict the nature of these requirements and the impact on our business, but proposed regulations or failure to comply with current and proposed regulations could have a material adverse impact on our business, financial condition, and/or results of operations by substantially increasing capital expenditures and compliance costs, affecting our ability to meet our financial obligations, including debt payments, and the payment of dividends or distributions. It may also lead to the modification or cancellation of operating licences and permits, penalties, and other corrective actions.

### Exchange Rates

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 USD strengthens by one-cent, on an unhedged basis, this would have a positive impact of approximately \$3.2 million on our net earnings because of our USD-denominated term debt and vice-versa. See [Foreign Exchange](#) on page 17 for additional comments on exchange rates related risks. We hedge our investment in foreign operations that use the USD as their functional currency with our USD-denominated bank debt. See [Liquidity and Capital Resources - Financial Instruments](#) on page 28 for information concerning hedges.

### Uncertainty regarding tax treatment

We are subject to challenges from various tax authorities on an ongoing basis. As a result, from time to time, tax authorities may disagree with the positions and conclusions taken by us in our tax filings or legislation could be amended or interpretations of current legislation could change, any of which events could lead to assessments of additional amounts of tax, interest and possibly penalties. We accrue and account for any probable assessments of tax; however, there can be no assurance as to the final resolution of any tax authority positions.

## Credit risk

Credit risk arises from the non-performance by counter-parties of their contractual financial obligations. We manage credit risk for trade and other receivables through established credit monitoring activities. We do not have a significant concentration of credit risk with any single counter-party. The primary counter-parties related to the foreign exchange forward contracts and interest rate swaps carry investment grade ratings. We believe our credit risk of counter-party nonperformance continues to be relatively low. We are in regular contact with our customers, suppliers and logistics providers, and to date have not experienced significant counter-party non-performance. However, if a key supplier or customer experiences financial difficulties or fails to comply with their contractual obligations, this could result in a significant financial loss to us. Our maximum exposure to credit risk at the reporting date is the carrying value of our receivables and derivative assets.

## Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. We manage liquidity risk by maintaining adequate cash and cash equivalent balances, and by appropriately utilizing our lines of credit. We believe that cash flows from operating activities, together with cash on hand, cash from receivables and borrowings available under the revolving credit facility are sufficient to fund our currently anticipated financial obligations, and will remain available in the current environment.

## Unit price risk

Unit price risk is the risk that changes in our own unit price affect earnings and cash flows. Earnings and cash flows from operating activities are affected when outstanding cash-settled RSUs and PSUs, issued under our LTIP awards and deferred units under DUP are revalued each period based on our unit price. Net cash flows from operating activities are affected when these cash-settled RSUs and PSUs and deferred units are ultimately settled. We enter into cash-settled unit swap arrangements to fix the unit price on a portion of the RSU and PSU components of our LTIP awards and deferred units to mitigate a portion of the unit price risk.

## Interest rate risk

We have a credit facility with long-term debt which bears variable rates of interest. As at December 31, 2025, on an unhedged basis, a change in interest rates of 1% per annum would have an impact of approximately \$2.9 million on our net earnings per annum. As at December 31, 2025, we have fixed interest rates on 82% of our senior debt until December 2026 and 0% thereafter until October 2030.

# SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the consolidated 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 expenses. 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 made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements are:

- (i) Income taxes - In the normal course of operations, judgment is required in assessing tax interpretations, regulations and legislation and in determining the provision for income taxes, deferred tax assets and liabilities, and the timing of reversals. We make judgments to evaluate whether we can recover a deferred tax asset based on our assessment of many factors, including interpretations of tax laws, expectation about the future taxable profit level, and the timing and reversal of temporary differences. To the extent that a recognition or de-recognition of a deferred tax asset is required, current period earnings or other comprehensive income will be affected.
- (ii) Leases - We estimate the lease term by considering the facts and circumstances that can create an economic incentive to exercise an extension option, or not exercise a termination option. We make certain qualitative and quantitative assumptions when deriving the value of the economic incentive.
- (iii) Intangible assets - Judgment is applied in determining CGUs for the purpose of impairment testing.
- (iv) Provisions - We recognize provisions for the present value of anticipated costs. We apply judgment in determining whether we have a present obligation (legal or constructive) as a result of a past event, whether it is probable ("more likely than not") that an outflow of economic resources would be required to settle the obligation and whether the amount can be estimated reliably.

We are subject to litigation in the normal course of business. We have made judgments as to the likelihood of any claim succeeding in recording provisions.

## Key sources of estimation uncertainty

Information about assumptions and estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year are:

- (i) Property, plant and equipment - Parts of an item of PPE may have different useful lives. We make significant estimates when determining depreciation rates and asset useful lives, which require taking into account company-specific factors, such as our past experience and expected use, and industry trends, such as technological advancements. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.
- (ii) Leases - ROU assets are measured at the initial amount of the lease liabilities plus any initial direct costs, lease payments made at or before the commencement date net of lease incentives received, and decommissioning costs. We estimate the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, our incremental borrowing rate, to measure the lease liability.
- (iii) Intangible assets - When determining the fair value of goodwill and intangible assets as part of a business combination, the valuation involves significant estimation uncertainty. This includes projected revenue growth, forecasted earnings before interest and tax, margins attributable to customer relationships and the discount rates applied to future cash flows.

When determining the value in use of goodwill and intangible assets during impairment testing, we use the following significant estimates: forecast operating margins, maintenance and other capital expenditures, terminal growth rates and discount rates. If actual results differ or a change in expectation arises, an impairment charge may be required.

We make significant estimates when determining the estimated useful lives of intangible assets, which require taking into account company-specific factors, such as our past experience and expected use, and industry trends, such as technological advancements. Amortization methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

- (iv) Provisions - Provisions have been recorded based on the present value of anticipated costs for future decommissioning and environmental liabilities. Decommissioning liabilities include future cost estimates of statutory, contractual, constructive or legal obligations associated with the decommissioning of our plants. Environmental liabilities are recorded based on the current interpretation of environmental laws and regulations when it is probable that a liability has been incurred and the amount of such a liability can be reliably estimated.

Cash outflows associated with these provisions are generally expected to occur at future dates and are long-term in nature. The calculation of these provisions require assumptions such as the discount rate and cost estimates. The provisions recognized are periodically reviewed and updated based on the facts and circumstances available at the time.

Provisions for legal claims are recognized when a past event creates a legal or constructive obligation that can be reasonably estimated and is more likely than not to result in an outflow of economic resources. Significant estimates are involved in estimating the present value of the expenditure expected to settle obligations.

The time of concluding legal claims is uncertain, as is the amount of possible outflow of economic resources. Timing and cost ultimately depends on the due process in respective legal jurisdictions. Provisions recognized by us are periodically reviewed based on facts and circumstances available at the time.

- (v) Employee Benefits - Significant estimates are involved in determining defined benefit obligations. The calculation of the liabilities related to pension plans is based upon statistical and actuarial assumptions. Our U.S. pension plans are frozen for future benefit accruals and the pension benefits are not indexed to inflation. These pension plans are comprised primarily of inactive and retired participants and the actuarial estimates of pension benefits are affected by the amount of time retirees are expected to receive their pensions (mortality assumptions) and the interest rate used to discount the expected future benefit payments (discount rate assumption). Certain Canadian pension plans have future benefit accruals and the pension benefits are not indexed to inflation. These pension plans are comprised primarily of active and inactive participants and the actuarial estimates of pension benefits are affected by the amount of time future retirees are expected to receive their pensions (mortality assumptions) and the interest rate used to discount the expected future benefit payments (discount rate assumption). The actuarial estimates of other Canadian pension plans are also based on projections of employees' compensation levels at their expected time of retirement. These retirement benefits are primarily based on final average earnings, subject to certain adjustments, and the pension benefits are partially indexed to inflation.

The actuarial assumptions used might differ materially from actual results due to changes in market and economic conditions, higher or lower employee turnover, longer or shorter life spans of participants, and other changes in the factors being assessed. These differences could impact the assets or liabilities recognized in the consolidated statements of financial position in future periods.

We obtain actuarial valuations for our post employment benefit plans.

- (vi) Share-based payments - We make significant estimates to determine the fair value of cash settled share-based payments, LTIP and deferred unit plan. Determining the fair value of the cash settled share-based payments, including performance based options, requires significant estimates related to the estimation of unit price, volatility, and the expected market conditions and future financial performance of the Fund.
- (vii) Financial instruments - Fair value estimates related to our derivatives and Convertible Debentures are made at each reporting period based on relevant market information and information about the underlying financial instruments. These estimates require assessment of the credit risk of the parties to the instruments and the instruments' discount rates and volatility of the unit price.

## STANDARDS AND INTERPRETATIONS

### (a) Standards and interpretations adopted during the period:

We adopted the following accounting amendments that were effective for our 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).
- Annual Improvements to IFRS Accounting Standards - Volume 11, which includes clarifications and amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. These amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted.

## 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 December 31, 2025 through inquiry and review. Our CEO and CFO have concluded that, as at December 31, 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 December 31, 2025. Based on this evaluation, Management has concluded that as at December 31, 2025, our internal controls over financial reporting were effective. There have been no changes to the design of internal controls over financial reporting that occurred during the year ended December 31, 2025 that have materially affected or are reasonably likely to materially affect the internal controls over financial reporting.

### Limitations on scope of design

In our assessment of the scope of the disclosure controls and procedures and internal control over financial reporting, we have excluded the controls, policies and procedures of Polytec, which was acquired on November 21, 2025, the operating results of which are included in the audited consolidated financial statements from the acquisition date. The scope limitation is in accordance with National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, which allows an issuer to limit its design of internal controls over financial reporting and disclosure controls and procedures to exclude the controls, policies and procedures of a company acquired not more than 365 days before the end of the financial period to which the certificate relates.

From November 21, 2025 (the acquisition date) to December 31, 2025, Polytec has contributed revenues of \$14.0 million and generated a net earnings of \$0.1 million. As at December 31, 2025, the current assets and current liabilities of Polytec represented approximately 7.0% and 3.0% of Chemtrade's consolidated current assets and current liabilities, respectively, while the non-current assets and non-current liabilities of Polytec represented approximately 11.0% and 3.0% of Chemtrade's consolidated non-current assets and non-current liabilities, respectively. The amounts recognized for the assets acquired and liabilities assumed as at the acquisition date are detailed in Note 3 of the audited consolidated financial statements.

## 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 Uncertainties](#), which starts on page 40, 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 2026 Adjusted EBITDA will be in the range of \$485.0 million to \$525.0 million;
- our expectation that our income distributed to Unitholders will not be subject to SIFT tax;
- 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 range for 2026 of between \$485.0 million to \$525.0 million,
  - our expectation to end 2026 with the stated Net debt to LTM Adjusted EBITDA ratio and stated implied Payout ratio,
  - the expected stated range of maintenance capital and growth capital expenditures, lease payments, cash interest, and cash tax,
- our intention to invest between \$35.0 million and \$55.0 million in growth capital expenditures in 2026 with a focus on water chemical treatment chemicals projects;
- the effect on our business, financial condition and/or results of operations of any of the risks set out in the Risks and Uncertainties section;
- 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:

- certain key elements as set out in the Financial Outlook section, including:
  - there being no significant unplanned downtime nor labour disruptions affecting Chemtrade's principal manufacturing facilities,
  - the biannual turnaround at our North Vancouver facility is executed as planned,
  - the stated North American MECU sales volumes and sodium chlorate production volumes,
  - 2026 realized MECU netback being lower than 2025 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 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   |                      | December<br>31, 2025 | Year ended           |                      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | December<br>31, 2025 | December<br>31, 2024 |                      | December<br>31, 2024 | December<br>31, 2023 |
| Cash flows from operating activities <sup>(2)</sup>                | \$ 85,468            | \$ 83,842            | \$ 355,074           | \$ 342,069           | \$ 401,463           |
| (Less) Add:  |                      |                      |                      |                      |                      |
| Lease payments net of sub-lease receipts                           | (17,909)             | (17,142)             | (70,018)             | (65,379)             | (58,256)             |
| (Decrease) Increase in working capital <sup>(2)</sup>              | (7,124)              | (1,285)              | 51,779               | 31,279               | 16                   |
| Changes in other items <sup>(1)</sup>                              | 5,551                | 10,156               | 14,684               | 9,627                | 44,038               |
| Maintenance capital expenditures                                   | (49,336)             | (36,055)             | (123,538)            | (104,474)            | (104,249)            |
| <b>Distributable cash after maintenance capital expenditures</b>   | <b>\$ 16,650</b>     | <b>\$ 39,516</b>     | <b>\$ 227,981</b>    | <b>\$ 213,122</b>    | <b>\$ 283,012</b>    |
| Divided by:  |                      |                      |                      |                      |                      |
| Weighted average number of units outstanding                       | 114,087,626          | 120,590,348          | 114,323,060          | 118,424,190          | 116,212,199          |
| Distributable cash after maintenance capital expenditures per unit | \$ 0.1459            | \$ 0.3277            | \$ 1.9942            | \$ 1.7996            | \$ 2.4353            |
| Distributions declared per unit                                    | \$ 0.1725            | \$ 0.1650            | \$ 0.6900            | \$ 0.6600            | \$ 0.6000            |
| Payout ratio (%)   | 118 %                | 50 %                 | 35 %                 | 37 %                 | 25 %                 |

<sup>(1)</sup> Changes in other items relate to cash interest and cash taxes.

<sup>(2)</sup> The comparatives for certain cash flow items have been amended to be consistent with current year presentation.

### 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)  | Three months ended |                   | Year ended        |                   |                   |
|---|--------------------|-------------------|-------------------|-------------------|-------------------|
|   | December 31, 2025  | December 31, 2024 | December 31, 2025 | December 31, 2024 | December 31, 2023 |
| Cash flows from operating activities  | \$ 85,468          | \$ 83,842         | \$ 355,074        | \$ 342,069        | \$ 401,463        |
| Net earnings  | \$ 38,252          | \$ 10,274         | \$ 139,390        | \$ 126,908        | \$ 249,319        |
| Cash distributions paid during period                                       | \$ 19,710          | \$ 19,973         | \$ 78,852         | \$ 76,614         | \$ 58,031         |
| Excess of cash flows from operating activities over cash distributions paid | \$ 65,758          | \$ 63,869         | \$ 276,222        | \$ 265,455        | \$ 343,432        |
| (Shortfall) Excess of net earnings over cash distributions paid             | \$ 18,542          | \$ (9,699)        | \$ 60,538         | \$ 50,294         | \$ 191,288        |

#### Total debt

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

**Definition:** Total debt is calculated as the principal value of long-term debt and the principal value of Convertible 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, Convertible 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 Convertible 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)                              | December 31, 2025 |                  | December 31, 2024 |                |
|---------------------------------------|-------------------|------------------|-------------------|----------------|
| Long-term debt <sup>(1)</sup>         | \$                | 991,226          | \$                | 343,295        |
| Add (Less):                           |                   |                  |                   |                |
| Convertible Debentures <sup>(1)</sup> |                   | 25,534           |                   | 340,000        |
| Long-term lease liabilities           |                   | 132,352          |                   | 148,268        |
| Lease liabilities <sup>(2)</sup>      |                   | 58,655           |                   | 58,145         |
| Cash and cash equivalents             |                   | (27,420)         |                   | (25,497)       |
| <b>Net debt</b>                       | <b>\$</b>         | <b>1,180,347</b> | <b>\$</b>         | <b>864,211</b> |

<sup>(1)</sup> Principal outstanding amount

<sup>(2)</sup> Presented as current liabilities in the Consolidated Statements of Financial Position

### Growth capital expenditures

**Most directly comparable IFRS financial measure:** Capital expenditures

**Definition:** Growth capital expenditures are calculated as capital expenditures, adjusted for unpaid capital expenditures, less Maintenance capital expenditures, plus investments in a joint venture.

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

| (\$'000)   | <u>Three months ended</u> |                      | <u>Year ended</u>    |                      |
|--|---------------------------|----------------------|----------------------|----------------------|
|  | December 31,<br>2025      | December 31,<br>2024 | December 31,<br>2025 | December 31,<br>2024 |
| Capital expenditures   | \$ 54,403                 | \$ 44,569            | \$ 176,594           | \$ 180,073           |
| Net change in accounts payable and accrued liabilities related to capital expenditures | 14,253                    | 16,149               | (4,863)              | 5,730                |
| Capital expenditures, including unpaid capital expenditures                            | 68,656                    | 60,718               | 171,731              | 185,803              |
| Maintenance capital expenditures   | (49,336)                  | (36,055)             | (123,538)            | (104,474)            |
| Non-maintenance capital expenditures   | 19,320                    | 24,663               | 48,193               | 81,329               |
| <b>Growth capital expenditures</b>   | <b>\$ 19,320</b>          | <b>\$ 24,663</b>     | <b>\$ 48,193</b>     | <b>\$ 81,329</b>     |

### 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 Convertible Debentures.

**Why we use the measure and why it is useful to investors:** Although the Convertible Debentures are presented as current liabilities, management views the Convertible Debentures as non-current liabilities for purposes of managing liquidity and working capital. The Convertible Debenture holders do not have the right to demand their repayment prior to their maturity date, which for all the outstanding series of the Convertible 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)                    | December 31, 2025 |           | December 31, 2024 |           |
|-----------------------------|-------------------|-----------|-------------------|-----------|
| Current assets              | \$                | 414,380   | \$                | 334,701   |
| Less: Current liabilities   |                   | (462,496) |                   | (798,002) |
| Working capital deficit     |                   | (48,116)  |                   | (463,301) |
| Add: Convertible Debentures |                   | 30,960    |                   | 356,596   |
| Net working capital deficit | \$                | (17,156)  | \$                | (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)  | Q4 2025   | Q3 2025    | Q2 2025    | Q1 2025    | Q4 2024    | Q3 2024    | Q2 2024    | Q1 2024    |
|---|-----------|------------|------------|------------|------------|------------|------------|------------|
| Net earnings  | \$ 38,252 | \$ 42,373  | \$ 9,696   | \$ 49,069  | \$ 10,274  | \$ 60,080  | \$ 14,599  | \$ 41,955  |
| Add (less):   |           |            |            |            |            |            |            |            |
| Depreciation and amortization                         | 57,797    | 54,802     | 54,004     | 53,483     | 49,929     | 45,503     | 48,223     | 44,890     |
| Net finance costs                                     | 3,002     | 55,385     | 35,596     | 10,526     | 11,501     | 16,149     | 39,268     | 5,642      |
| Income tax expense (recovery)                         | 1,608     | (2,541)    | 5,353      | 11,674     | 7,250      | 13,809     | 10,619     | 12,244     |
| Impairment of PPE                                     | —         | —          | 43,484     | —          | —          | —          | —          | —          |
| Impairment of joint venture                           | —         | —          | —          | —          | 3,834      | —          | —          | —          |
| Change in environmental and decommissioning liability | 2,433     | (138)      | (1,686)    | 1,303      | (1,116)    | 2,410      | (1,494)    | (730)      |
| Net (gain) loss on disposal and write-down of PPE     | 18        | 768        | (827)      | (15)       | 5,488      | 521        | 1,782      | 711        |
| Unrealized foreign exchange (gain) loss               | (4,943)   | 550        | (7,639)    | (5,983)    | 21,433     | (1,319)    | 2,115      | 5,222      |
| Adjusted EBITDA                                       | \$ 98,167 | \$ 151,199 | \$ 137,981 | \$ 120,057 | \$ 108,593 | \$ 137,153 | \$ 115,112 | \$ 109,934 |

## 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, including unpaid amounts.

### Non-maintenance capital expenditures

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

### Cash interest

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

### Cash tax

Represents current income tax expense.

# TERMS AND DEFINITIONS

## Terms

|                          |   |
|--------------------------|---|
| <b>AB</b>                | Alberta   |
| <b>AI</b>                | Artificial Intelligence   |
| <b>AIF</b>               | Annual Information Form   |
| <b>AOCI</b>              | Accumulated Other Comprehensive Income  |
| <b>BC</b>                | British Columbia  |
| <b>Board</b>             | Board of Trustees   |
| <b>CAD</b>               | Canadian Dollar   |
| <b>Canadian railways</b> | Canadian Pacific Kansas City Ltd and Canadian National Railway  |
| <b>CEO</b>               | Chief Executive Officer   |
| <b>CGU</b>               | Cash Generating Unit  |
| <b>CA</b>                | California  |
| <b>CMA</b>               | Chemical Market Analytics by OPIS, a Dow Jones Company (formerly IHS Markit Base Chemical)                |
| <b>CORRA</b>             | Canadian Overnight Repo Rate Average  |
| <b>COSO</b>              | Committee of Sponsoring Organizations of the Treadway Commission  |
| <b>CFO</b>               | Chief Financial Officer   |
| <b>CRA</b>               | Canada Revenue Agency   |
| <b>DUP</b>               | Deferred Unit Plan  |
| <b>ESG</b>               | Environmental, Social and Governance  |
| <b>HCl</b>               | Hydrochloric acid   |
| <b>IASB</b>              | International Accounting Standards Board  |
| <b>ISDA</b>              | International Swap and Derivatives Association  |
| <b>LIBOR</b>             | London Interbank Offered Rate   |
| <b>LTIP</b>              | Long Term Incentive Plan  |
| <b>LTM</b>               | Last Twelve Months  |
| <b>MECU</b>              | MECU is a Metric Electrochemical Unit, consisting of 1.0 tonne of chlorine and 1.1 tonnes of caustic soda |
| <b>MT</b>                | Metric Tonne  |
| <b>NCIB</b>              | Normal Course Issuer Bid  |
| <b>NE</b>                | Northeast   |
| <b>OK</b>                | Oklahoma  |
| <b>OH</b>                | Ohio  |
| <b>Polytec</b>           | Polytec, Inc.   |
| <b>PPE</b>               | Property, Plant and Equipment   |
| <b>PSU</b>               | Performance Share Unit  |
| <b>Q1</b>                | First Quarter or three months ended March 31  |
| <b>Q2</b>                | Second Quarter or three months ended June 30  |
| <b>Q3</b>                | Third Quarter or three months ended September 30  |
| <b>Q4</b>                | Fourth Quarter or three months ended December 31  |
| <b>Regen</b>             | Regenerated Acid Services   |
| <b>ROU</b>               | Right-of-use  |

|                 |   |
|-----------------|---|
| <b>RSU</b>      | Restricted Share Unit                   |
| <b>SIB</b>      | Substantial Issuer Bid                  |
| <b>SOFR</b>     | Secured Overnight Financing Rate        |
| <b>SIFT</b>     | Specified investment flow-through trust |
| <b>SUPERIOR</b> | Superior Plus Corporation               |
| <b>TSX</b>      | Toronto Stock Exchange                  |
| <b>USD</b>      | U.S. Dollar                             |
| <b>WA</b>       | Washington                              |

## Definitions

|                                   |   |
|-----------------------------------|---|
| <b>2029 Notes</b>                 | The 6.375% senior unsecured notes due on August 28, 2029. 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 February 24, 2026 we had a total of \$375.0 million principal amount of 2029 Notes outstanding.   |
| <b>2032 Notes</b>                 | The 5.75% senior unsecured notes due on October 1, 2032. As of February 24, 2026, we had a total of \$250.0 million principal amount of 2032 Notes outstanding.   |
| <b>Convertible Debentures</b>     | We have \$25.5 million principal amount of 7.00% of convertible unsecured subordinated debentures outstanding.  |
| <b>Credit Facilities</b>          | Revolving credit facilities   |
| <b>KPCT joint venture</b>         | 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.  |
| <b>LTIP costs</b>                 | 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 sustainability 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. |
| <b>Non Convertible Debentures</b> | The 7.00% Unsecured Subordinated Debentures due on June 30, 2028. As of February 24, 2026, we had a total of \$73.9 million principal amount outstanding.   |
| <b>Notes</b>                      | 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](http://www.sedarplus.com).

March 6, 2026