

CHEMTRADE LOGISTICS INCOME FUND

Condensed Consolidated Interim Financial Statements

Three Months Ended March 31, 2026 and 2025
(Unaudited)

Q1 2026



CHEMTRADE

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CHEMTRADE LOGISTICS INCOME FUND

Condensed Consolidated Interim Statements of Comprehensive Income

(In millions of Canadian dollars, except per unit amounts)

(Unaudited)

	Notes	Three months ended March 31,	
		2026	2025
Revenue	4	\$ 503.0	\$ 466.3
Cost of sales and services	6	(405.2)	(362.2)
Gross profit		97.8	104.1
Selling and administrative expenses	5	(43.3)	(32.8)
Operating income		54.5	71.3
Net finance costs	7	(22.6)	(10.5)
Income before income tax		31.9	60.8
Income tax (expense) recovery	8		
Current		(11.9)	(8.7)
Deferred		5.4	(3.0)
		(6.5)	(11.7)
Net earnings		\$ 25.4	\$ 49.1
Other comprehensive income (loss)			
Items that may subsequently be reclassified to earnings:			
Net investment hedge of foreign operations, net of tax of \$nil (2025 - net of tax \$nil)	11,14	(0.3)	—
Foreign currency translation differences for foreign operations, net of tax of \$nil (2025 - net of tax of \$nil)		13.5	(0.8)
Effective portion of change in the fair value of cash flow hedges, net of tax of \$nil (2025 - net of tax of \$0.2)		0.1	(0.5)
Items that will not be reclassified to earnings:			
Defined benefit plan adjustments, net of tax of \$0.2 (2025 - net of tax of \$0.1)		(0.9)	(0.3)
Change in fair value of convertible debentures due to own credit risk, net of tax of \$nil (2025 - net of tax of \$nil)	10	—	(12.0)
Other comprehensive income (loss)		12.4	(13.6)
Total comprehensive income		\$ 37.8	\$ 35.5
Net earnings per unit	9		
Basic net earnings per unit		\$ 0.23	\$ 0.42
Diluted net earnings per unit		\$ 0.23	\$ 0.30

CHEMTRADE LOGISTICS INCOME FUND

Condensed Consolidated Interim Statements of Financial Position

(In millions of Canadian dollars)

(Unaudited)

	Notes	March 31, 2026	December 31, 2025 ⁽²⁾
ASSETS			
Current assets			
Cash and cash equivalents		\$ 46.5	\$ 27.4
Trade receivables		196.4	199.7
Inventories		155.6	135.3
Income taxes receivable		23.3	19.4
Prepaid expenses		6.6	8.6
Derivative assets		25.5	24.0
Total current assets		453.9	414.4
Non-current assets			
Property, plant and equipment		1,111.2	1,101.0
Right-of-use assets		166.4	179.1
Income taxes receivable	8	66.0	66.0
Derivative assets		14.2	12.6
Long-term receivables and investments		6.2	5.7
Intangible assets		193.8	198.6
Goodwill		541.2	532.6
Deferred tax assets	8	23.7	21.3
Total non-current assets		2,122.7	2,116.9
Total assets		\$ 2,576.6	\$ 2,531.3
LIABILITIES AND UNITHOLDERS' EQUITY			
Current liabilities			
Trade payables and accrued liabilities		\$ 326.5	\$ 333.6
Interest payable		11.5	11.8
Distributions payable	12	6.7	6.6
Provisions		18.8	20.8
Lease liabilities		58.5	58.7
Convertible debentures ⁽¹⁾	10	33.2	31.0
Total current liabilities		455.2	462.5
Non-current liabilities			
Long-term debt	11	1,077.4	977.1
Long-term accrued liabilities		16.6	33.5
Long-term lease liabilities		121.4	132.3
Employee benefits		18.6	17.9
Provisions		116.1	114.6
Deferred tax liabilities	8	15.2	18.3
Total non-current liabilities		1,365.3	1,293.7
Total liabilities		1,820.5	1,756.2
Unitholders' equity			
Units	12	1,517.6	1,549.3
Contributed surplus		41.5	46.4
Deficit		(1,029.6)	(1,033.9)
Accumulated other comprehensive income		226.6	213.3
Total unitholders' equity		756.1	775.1
Total liabilities and unitholders' equity		\$ 2,576.6	\$ 2,531.3

⁽¹⁾ Mature in June 2028.

⁽²⁾ Certain comparative amounts have been disaggregated to conform with the current year presentation.

CHEMTRADE LOGISTICS INCOME FUND

Condensed Consolidated Interim Statements of Changes in Unitholders' Equity

(In millions of Canadian dollars)

(Unaudited)

	Notes	Units	Contributed surplus	Deficit	Cumulative translation account*	Unrealized losses on cash flow and net investment hedges*	Change in fair value of convertible debentures due to own credit risk*	Total unitholders' equity
Balance at January 1, 2026		\$ 1,549.3	\$ 46.4	\$ (1,033.9)	\$ 222.4	\$ (19.3)	\$ 10.2	\$ 775.1
Units repurchased under a Normal Course Issuer Bid ("NCIB") ⁽¹⁾	12	(31.7)	(4.9)	—	—	—	—	(36.6)
Net earnings		—	—	25.4	—	—	—	25.4
Other comprehensive income (loss)		—	—	(0.9)	13.5	(0.2)	—	12.4
Distributions	12	—	—	(20.2)	—	—	—	(20.2)
Balance at March 31, 2026		\$ 1,517.6	\$ 41.5	\$ (1,029.6)	\$ 235.9	\$ (19.5)	\$ 10.2	\$ 756.1

⁽¹⁾ A share buyback tax of \$0.6 was applied on the Fund's Contributed surplus for the first quarter ended March 31, 2026.

	Notes	Units	Contributed surplus	Deficit	Cumulative translation account*	Unrealized losses on cash flow and net investment hedges*	Change in fair value of convertible debentures due to own credit risk*	Total unitholders' equity
Balance at January 1, 2025		\$ 1,629.6	\$ 26.4	\$ (1,095.3)	\$ 263.9	\$ (23.4)	\$ 17.2	\$ 818.4
Units repurchased under an NCIB ⁽¹⁾	12	(52.5)	12.6	—	—	—	—	(39.9)
Net earnings		—	—	49.1	—	—	—	49.1
Other comprehensive loss		—	—	(0.3)	(0.8)	(0.5)	(12.0)	(13.6)
Distributions	12	—	—	(20.1)	—	—	—	(20.1)
Balance at March 31, 2025		\$ 1,577.1	\$ 39.0	\$ (1,066.6)	\$ 263.1	\$ (23.9)	\$ 5.2	\$ 793.9

⁽¹⁾ A share buyback tax of \$0.8 was applied on the Fund's Contributed surplus for the first quarter ended March 31, 2025.

* Accumulated other comprehensive income.

CHEMTRADE LOGISTICS INCOME FUND

Condensed Consolidated Interim Statements of Cash Flows
(In millions of Canadian dollars)
(Unaudited)

	Notes	Three months ended March 31,	
		2026	2025
Cash flows from operating activities:			
Net earnings		\$ 25.4	\$ 49.1
Adjustments for:			
Depreciation and amortization	6	56.5	53.5
Net loss on disposal and write-down of property, plant and equipment ("PPE")		0.1	—
Change in environmental and decommissioning liability		(0.8)	1.3
Income tax expense	8	6.5	11.7
Net finance costs	7	22.6	10.5
Unrealized foreign exchange loss (gain)	5	3.2	(6.0)
		113.5	120.1
Increase in working capital ⁽¹⁾		(41.5)	(57.1)
Interest paid		(16.3)	(14.3)
Interest received		0.7	0.9
Income tax paid		(14.0)	(15.2)
Net cash flows from operating activities		42.4	34.4
Cash flows from investing activities:			
Capital expenditures		(45.9)	(47.0)
Net cash flows used in investing activities		(45.9)	(47.0)
Cash flows from financing activities:			
Distributions to unitholders	12	(20.1)	(20.0)
Repayment of lease liability		(17.4)	(17.8)
Net change in revolving credit facility	11	94.3	(29.7)
Proceeds from issuance of senior unsecured notes	11	—	125.0
Transaction costs related to the issuance of senior unsecured notes	11	—	(2.3)
Repurchase of units under NCIB	12	(36.0)	(39.2)
Net cash flows from financing activities		20.8	16.0
Increase in cash and cash equivalents		17.3	3.4
Cash and cash equivalents, beginning of the period		27.4	25.5
Opening balance adjustment due to IFRS 9 amendment	16	1.4	—
Effect of exchange rates on cash held in foreign currencies		0.4	—
Cash and cash equivalents, end of the period		\$ 46.5	\$ 28.9

⁽¹⁾The comparatives for certain items on the Condensed Consolidated Interim Statements of Cash Flows have been amended to be consistent with current year presentation, refer to note 2(d).

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

1. CORPORATE INFORMATION:

Chemtrade Logistics Income Fund (the "Fund") is a publicly listed Income Trust formed in Ontario, Canada and its units are listed on the Toronto Stock Exchange ("TSX"). The term "Chemtrade" refers to the Fund, its consolidated subsidiaries and equity accounted investments, including joint ventures. Chemtrade commenced operations on July 18, 2001 when it completed an initial public offering. Chemtrade operates a diversified business providing industrial chemicals and services to customers in North America and around the world. Chemtrade is one of North America's largest suppliers of sulphuric acid, spent acid processing services, inorganic coagulants for water treatment, sodium chlorate, sodium nitrite and sodium hydrosulphite. Chemtrade is a leading regional supplier of sulphur, chlor-alkali products and zinc oxide. Additionally, Chemtrade provides value-added water solutions, as well as industrial services such as processing by-products and waste streams. Chemtrade operates in three reportable segments: Acid and Sulphur Products ("ASP"), Water Solutions ("WS") and Electrochemicals ("EC"). In addition to the above three reportable segments, Chemtrade discloses results of corporate activities separately. For additional information regarding Chemtrade's reportable segments, see note 3.

Chemtrade is an entity domiciled in Canada. The head office, principal address, and registered and records office of the Fund are located at 155 Gordon Baker Road, Suite 300, Toronto, Ontario, M2H 3N5.

Chemtrade's Condensed Consolidated Interim Financial Statements include all of its controlled subsidiaries and equity accounted investments and have been prepared on a going concern basis, which contemplates the realization of assets and settlements of liabilities in the normal course of business.

2. BASIS OF PREPARATION:

(a) Statement of compliance

These Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"), using the same accounting policies and standards as were used for Chemtrade's 2025 annual consolidated financial statements. Certain amendments and interpretations apply for the first time in 2026, but do not have a material impact on these Condensed Consolidated Interim Financial Statements, other than the adoption of the amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments*, as disclosed in note 16(a).

These Condensed Consolidated Interim Financial Statements should be read in conjunction with Chemtrade's 2025 annual consolidated financial statements.

The Condensed Consolidated Interim Financial Statements were authorized for issue by the Board of Trustees (the "Board") on May 11, 2026.

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

2. BASIS OF PREPARATION (continued):

(b) Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis, except for the following material items in the condensed consolidated interim statements of financial position:

- Derivative financial instruments, convertible unsecured subordinated debentures (the "Convertible Debentures") and liabilities for cash settled share-based payment arrangements are measured at fair value;
- The defined benefit liability is recognized as the present value of the defined benefit obligation net of the fair value of the plan assets; and
- Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to temporary differences when they reverse.

(c) Presentation currency

These condensed consolidated interim financial statements are presented in millions of Canadian dollars, except for net earnings per unit information which is presented in Canadian dollars.

(d) Correction of an immaterial error

Chemtrade corrected an immaterial error relating to the amount of capital expenditures reported in its Condensed Consolidated Interim Statements of Cash Flows for the three months ending March 31, 2025. The amount of capital expenditures previously reported was the amount of capital expenditures accrued during the period and has been corrected to the amount of capital expenditures paid during the period. The correction resulted in an increase in capital expenditures and a corresponding offset to working capital. This reclassification resulted in an increase in net cash flows used in investing activities with an offsetting increase in net cash flows from operating activities. In aggregate, this reclassification had no impact to previously reported total cashflows or any other previously reported figures.

The impact on the Condensed Consolidated Interim Statements of Cash Flows for the three months ended March 31, 2025 is summarized below:

	As reported, three months ended March 31, 2025	Adjustment	As corrected, three months ended March 31, 2025
Increase in working capital	\$ (79.8)	\$ 22.7	\$ (57.1)
Capital expenditures	(24.3)	(22.7)	(47.0)

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Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

3. REPORTABLE SEGMENTS:

Effective in the first quarter of 2026, reflecting the significant and growing contribution from the water solutions products, the acquisition of Polytec, Inc., and changes in strategic priorities and long-term business outlook, Chemtrade revised its operating segments, which ultimately resulted in a change in its reportable segments.

In reassessing its operating segment aggregation, management applied the aggregation criteria in IFRS 8 Operating Segments and exercised significant judgment in evaluating whether operating segments continue to exhibit similar long-term economic characteristics. While Acid and Sulphur Products and Water Solutions were historically aggregated, management concluded they no longer have the same future opportunities, reflecting differences in growth drivers, end markets, and capital allocation focus.

As a result, the Water Solutions segment is now reported separately, and Chemtrade operates in three reportable segments: Acid and Sulphur Products (“ASP”), Water Solutions (“WS”), and Electrochemicals (“EC”). This change reflects management’s forward-looking assessment of the business and the comparative segment information for prior periods has been restated to align with the current reportable segment structure. The reportable segments of Chemtrade are strategic business groups that offer products and services to target markets.

Chemtrade’s chief operating decision maker and the basis on which segment performance is assessed are unchanged from those disclosed in the annual consolidated financial statements for the year ended December 31, 2025.

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

3. REPORTABLE SEGMENTS (continued):

Three months ended March 31, 2026

	ASP	WS	EC	Corporate items and eliminations	Total
Revenue - third party	\$ 180.3	\$ 151.6	\$ 171.1	\$ —	503.0
- inter-segment	10.0	—	2.1	(12.1)	—
Revenue - total	190.3	151.6	173.2	(12.1)	503.0
Cost of sales and services	(164.0)	(131.7)	(121.6)	12.1	(405.2)
Gross profit	26.3	19.9	51.6	—	97.8
Selling and administrative expenses	(4.2)	(6.7)	(3.4)	(29.0)	(43.3)
Operating income (loss)	22.1	13.2	48.2	(29.0)	54.5
Depreciation and amortization	18.5	14.1	23.9	—	56.5
Net (gain) loss on disposal and write-down of PPE	(0.1)	0.2	—	—	0.1
Change in environmental and decommissioning liability	(0.3)	(0.3)	(0.2)	—	(0.8)
Unrealized foreign exchange loss	—	—	—	3.2	3.2
Adjusted EBITDA	40.2	27.2	71.9	(25.8)	113.5
Capital expenditures, including unpaid capital expenditures	11.8	9.8	12.6	0.1	34.3
Net change in accounts payable and accrued liabilities related to capital expenditures					11.6
Capital expenditures					45.9

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

3. REPORTABLE SEGMENTS (continued):

Three months ended March 31, 2025

	ASP	WS	EC	Corporate items and eliminations	Total
Revenue - third party	\$ 153.1	\$ 117.9	\$ 195.3	\$ —	466.3
- inter-segment	6.7	—	2.8	(9.5)	—
Revenue - total	159.8	117.9	198.1	(9.5)	466.3
Cost of sales and services	(139.3)	(100.0)	(132.4)	9.5	(362.2)
Gross profit	20.5	17.9	65.7	—	104.1
Selling and administrative expenses	(3.7)	(4.3)	(3.2)	(21.6)	(32.8)
Operating income (loss)	16.8	13.6	62.5	(21.6)	71.3
Depreciation and amortization	18.7	9.1	25.7	—	53.5
Change in environmental and decommissioning liability	0.5	0.7	0.1	—	1.3
Unrealized foreign exchange gain	—	—	—	(6.0)	(6.0)
Adjusted EBITDA	36.0	23.4	88.3	(27.6)	120.1
Capital expenditures, including unpaid capital expenditures	7.7	7.6	8.8	0.2	24.3
Net change in accounts payable and accrued liabilities related to capital expenditures					22.7
Capital expenditures					47.0

Geographic segments:

Chemtrade operates primarily in Canada, the United States and Brazil. Revenue is attributed to customers based on location of sale.

Revenue

	2026	2025
Canada	\$ 146.4	\$ 150.9
United States	332.5	292.8
Brazil	24.1	22.6
	\$ 503.0	\$ 466.3

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Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

3. REPORTABLE SEGMENTS (continued):

PPE, Right-of-use ("ROU") assets, intangible assets and goodwill

	March 31, 2026	December 31, 2025
Canada	\$ 682.3	\$ 692.6
United States	1,260.3	1,247.2
Brazil	70.0	71.5
	\$ 2,012.6	\$ 2,011.3

4. REVENUE:

The components of Revenue are as follows:

	Three months ended March 31,	
	2026	2025
Sale of products	\$ 439.2	\$ 408.2
Processing services	63.8	58.1
Revenue	\$ 503.0	\$ 466.3

5. SELLING AND ADMINISTRATIVE EXPENSES:

The components of Selling and administrative expenses are as follows:

	Three months ended March 31,	
	2026	2025
Wages, salaries and benefits, including bonuses and other	\$ 40.5	\$ 31.5
Realized foreign exchange (gain) loss	(0.2)	4.4
Unrealized foreign exchange loss (gain)	3.2	(6.0)
Net (reversal) reserve for legal proceedings	(0.7)	2.3
Depreciation (note 6)	0.5	0.6
Selling and administrative expenses	\$ 43.3	\$ 32.8

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

6. DEPRECIATION AND AMORTIZATION:

The components of depreciation expense of PPE and ROU assets and amortization expense of intangible assets are as follows:

	Three months ended March 31,	
	2026	2025
Cost of sales and services:		
Depreciation expense on PPE	\$ 31.5	\$ 33.2
Depreciation expense on ROU assets	14.9	14.3
Amortization expense	9.6	5.4
Selling and administrative expenses (note 5):		
Depreciation expense on PPE	0.1	0.2
Depreciation expense on ROU assets	0.4	0.4
Total depreciation and amortization expense	\$ 56.5	\$ 53.5

7. NET FINANCE COSTS:

The components of Net finance costs are as follows:

	2026	2025
Interest expense on long-term debt	\$ 15.4	\$ 5.7
Interest expense on convertible debentures (note 10)	0.4	5.5
Interest expense on lawsuit	—	2.6
Change in the fair value of embedded derivative asset	1.3	—
Change in the fair value of convertible debentures (note 10)	2.2	(9.0)
Interest expense on lease liabilities	2.4	2.5
Change in the fair value of interest rate swaps (note 14)	—	2.1
Accretion of provisions	1.2	1.1
Accretion on long-term debt (note 11)	0.2	0.6
Pension net interest cost	0.2	0.3
Interest income	(0.7)	(0.9)
Net finance costs	\$ 22.6	\$ 10.5

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Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

8. INCOME TAXES:

The Fund is a mutual fund trust and a specified investment flow-through trust ("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 will not be 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 Chemtrade, the Fund expects that its income distributed to Unitholders will not be subject to SIFT tax.

Income tax expense or recovery is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period, taking into account the tax effect of certain items recognized in the interim period. Chemtrade calculates the consolidated estimated effective annual tax rate by determining the amount of annual current and deferred income taxes as a percentage of estimated annual income before tax.

Chemtrade's income tax expense for the first three months of 2026 was \$6.5 and the effective tax rate was 20.84%. The effective tax rate differs from the statutory tax rate of 25.04% primarily due to the net deferred tax impacts associated with the change in fair value of the Convertible Debentures, the non-taxability to the Fund of the income distributed to Unitholders, impacts of taxable foreign exchange, changes in level of earnings in jurisdictions taxed at different rates, partially offset by the non-recognition of Deferred tax assets related to certain carryforward amounts of business interest expense deductions.

Chemtrade is 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 Chemtrade in its 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. Chemtrade accrues and accounts for any probable assessments of tax; however, there can be no assurance as to the final resolution of any tax authority positions

Chemtrade is disputing the deductibility of certain Canadian tax losses with the Canada Revenue Agency ("CRA") which would offset the taxes owed for 2021 to 2024. Chemtrade has made Canadian income tax payments of \$66.0 in previous years in connection with this matter. Chemtrade has appealed CRA's assessment of this matter as Chemtrade believes that its asserted position is appropriate and would be sustained upon full examination by tax authorities and, if necessary, upon consideration by judicial process. These payments have been presented as Income taxes receivable under non-current assets in the Condensed Consolidated Interim Statements of Financial Position.

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

8. INCOME TAXES (continued):

Resolution of this matter in Chemtrade's favour would result in a refund of the amounts paid of \$66.0. On the other hand, the resolution of this matter in favour of the CRA would not have a cash impact, but the income taxes receivable would be written off and recorded as an expense.

Pillar Two Top-up Tax - Global Minimum Tax

Chemtrade has operations in Canada, US and Brazil. In 2024, the Global Minimum Tax Act ("GMTA") was enacted in Canada. The GMTA implements the Organization for Economic Cooperation and Development's ("OECD") Pillar Two 15% global minimum tax regime in Canada and applies to Chemtrade for taxation years beginning January 1, 2024. In 2025, Brazil also adopted a domestic minimum top-up tax which applies to Chemtrade's subsidiary in Brazil effective January 1, 2025.

Chemtrade has reviewed the application of the above-mentioned rules and determined that the impact on Chemtrade for the three months ended March 31, 2026 was not material. Chemtrade will continue to monitor the implementation of, and changes in, Pillar Two Global Minimum Tax legislation in jurisdictions relevant to Chemtrade, and will assess additional impacts, if any.

While a temporary mandatory relief from deferred tax accounting for the future tax impacts of top-up tax is currently applicable, Chemtrade would account for top-up tax as a current tax when it is incurred.

US BEAT

Chemtrade's subsidiaries in the US are subject to the US BEAT, which imposes a minimum tax on certain deductible payments made by US entities to related foreign parties. BEAT represents an incremental amount of income tax payable for the period and is recorded as a current tax.

For the three months ended March 31, 2026, Chemtrade has assessed the applicability of BEAT and recorded an estimated liability of \$0.2.

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

9. NET EARNINGS PER UNIT:

Net earnings per unit has been calculated on the basis of the weighted average number of units outstanding. The following tables provide a breakdown of the numerator and denominator used in the calculation of net earnings per unit and diluted net earnings per unit:

	Three months ended March 31,	
	2026	2025
Numerator		
Net earnings	\$ 25.4	\$ 49.1
Net interest and fair value adjustment on the Convertible Debentures	—	(4.9)
Net fair value adjustment on deferred unit plan ⁽¹⁾	—	(0.6)
Diluted net earnings	\$ 25.4	\$ 43.6

⁽¹⁾ For the three months ended March 31, 2026, the potential conversion of the deferred units and the potential conversion of the Convertible Debentures have not been included as the effect on net earnings per unit would be anti-dilutive.

	Three months ended March 31,	
	2026	2025
Denominator		
Weighted average number of units	112,806,676	116,919,311
Weighted average Convertible Debentures dilutive units	—	27,889,443
Weighted average deferred unit plan dilutive units ⁽¹⁾	—	831,676
Weighted average number of diluted units	112,806,676	145,640,430

⁽¹⁾ For the three months ended March 31, 2026, the potential conversion of the deferred units and the potential conversion of the Convertible Debentures have not been included as the effect on net earnings per unit would be anti-dilutive.

CHEMTRADE LOGISTICS INCOME FUND

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10. CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES:

Changes in convertible unsecured subordinated debentures are as follows:

	Convertible unsecured subordinated debentures	
	2028 Convertible Debentures	
		June 30, 2028
Maturity		June 30, 2028
Interest rate		7.00 %
Conversion price	\$	12.85
Principal outstanding at January 1, 2026		25.5
Principal outstanding at March 31, 2026		25.5
Balance at January 1, 2026		31.0
Change in fair value recognized in profit or loss		2.2
Balance at March 31, 2026		33.2

	Convertible unsecured subordinated debentures ⁽¹⁾			
	2026 Convertible Debentures	2027 Convertible Debentures	2028 Convertible Debentures	Total
	October 31, 2026	August 31, 2027	June 30, 2028	
Maturity	October 31, 2026	August 31, 2027	June 30, 2028	
Interest rate	6.50 %	6.25 %	7.00 %	
Conversion price	\$ 15.80	\$ 10.00	\$ 12.85	
Principal outstanding at January 1, 2025	100.0	130.0	110.0	340.0
Principal outstanding at March 31, 2025	100.0	130.0	110.0	340.0
Balance at January 1, 2025	103.0	140.0	113.6	356.6
Change in fair value recognized in profit or loss	(4.4)	(2.0)	(2.6)	(9.0)
Change in fair value due to own credit risk ⁽²⁾	2.4	5.0	4.6	12.0
Balance at March 31, 2025	101.0	143.0	115.6	359.6

⁽¹⁾ The 2026 Convertible Debentures (which were settled in the third quarter of 2025), the 2027 Convertible Debentures (which were settled in the fourth quarter of 2025), the 2028 Convertible Debentures (which were partially settled in the fourth quarter of 2025) are collectively referred to as the "Convertible Debentures". Chemtrade has designated the Convertible Debentures as financial liabilities at fair value through profit or loss.

⁽²⁾ The change in fair value of the Convertible Debentures due to Chemtrade's own credit risk has been presented in other comprehensive income, net of taxes, rather than net earnings.

CHEMTRADE LOGISTICS INCOME FUND

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10. CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES (continued):

For the three months ended March 31, 2026, interest expense of \$0.4 (2025 - \$5.5) relating to the Convertible Debentures was recognized in Net finance costs.

While the Convertible Debentures are presented as current liabilities, Convertible Debenture holders do not have the right to demand their repayment prior to their maturity date, which is more than one year in the future. However, the Convertible Debenture holders have the right to convert debentures into units at predetermined prices, thus, the Convertible Debentures are classified as current liabilities.

11. LONG-TERM DEBT:

Changes in Long-term debt are as follows:

	Revolving credit facilities ⁽¹⁾		Non-Convertible Debentures	2029 Notes ⁽²⁾	2032 Notes ⁽²⁾	Embedded Derivative Asset	Transaction costs	Total
	Denomination Currency							
	US\$	Cdn\$						
Maturity	October 31, 2030	October 31, 2030	June 30, 2028	August 28, 2029	October 1, 2032			
Principal outstanding at January 1, 2026	282.3	10.0	73.9	375.0	250.0	—	—	991.2
Principal outstanding at March 31, 2026	306.1	85.0	73.9	375.0	250.0	—	—	1,090.0
Balance at January 1, 2026	282.3	10.0	73.9	377.6	252.6	(5.9)	(13.4)	977.1
Net change	19.3	75.0	—	—	—	—	—	94.3
Loss on net investment hedge of foreign operations	0.3	—	—	—	—	—	—	0.3
Foreign exchange rate changes	4.2	—	—	—	—	—	—	4.2
Change in fair value of embedded derivative asset	—	—	—	—	—	1.3	—	1.3
Accretion	—	—	—	(0.2)	(0.1)	—	0.5	0.2
Balance at March 31, 2026	\$ 306.1	\$ 85.0	\$ 73.9	\$ 377.4	\$ 252.5	\$ (4.6)	\$ (12.9)	\$ 1,077.4

⁽¹⁾ At March 31, 2026, Cdn\$ limit of the revolving credit facilities ("Credit Facilities") was \$834.8 (US\$600.0). At March 31, 2026, Chemtrade had drawn US\$220.0 and Cdn\$85.0 on the Credit Facilities and had committed a total of \$29.6 of the Credit Facilities towards standby letters of credit. At March 31, 2026, Chemtrade had \$414.1 (US\$297.6) available on the Credit Facilities.

⁽²⁾ The 2029 Notes and the 2032 Notes are collectively referred to as the "Notes".

CHEMTRADE LOGISTICS INCOME FUND

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11. LONG-TERM DEBT (continued):

	Revolving credit facilities ⁽¹⁾			2029 Notes ⁽²⁾	Embedded Derivative Asset ⁽²⁾	Transaction costs ⁽²⁾	Total
	Denomination Currency						
	US\$	Cdn\$					
Maturity	October 24, 2028	October 24, 2028	August 28, 2029				
Principal outstanding at January 1, 2025	78.3	15.0	250.0	—	—	—	343.3
Principal outstanding at March 31, 2025	63.7	—	375.0	—	—	—	438.7
Balance at January 1, 2025	\$ 78.3	\$ 15.0	\$ 252.2	\$ (2.2)	\$ (7.0)	\$	336.3
Net change	(14.7)	(15.0)	—	—	—	—	(29.7)
Proceeds from issuance of senior unsecured notes	—	—	125.0	—	—	—	125.0
Redemption option derivative asset	—	—	1.0	(1.0)	—	—	—
Foreign exchange rate changes	0.1	—	—	—	—	—	0.1
Financing transaction costs on senior unsecured notes	—	—	—	—	(2.3)	—	(2.3)
Accretion	—	—	—	—	0.6	—	0.6
Balance at March 31, 2025	\$ 63.7	\$ —	\$ 378.2	\$ (3.2)	\$ (8.7)	\$	430.0

⁽¹⁾ At March 31, 2025, Cdn\$ limit of the revolving credit facilities ("Credit Facilities") was \$863.2 (US\$600). At March 31, 2025, Chemtrade had drawn US\$44.3 and Cdn\$nil on the Credit Facilities and had committed a total of \$19.3 of the Credit Facilities towards standby letters of credit. At March 31, 2025, Chemtrade had \$780.2 (US\$542.3) available on the Credit Facilities.

⁽²⁾ During Q1 2025, Chemtrade issued additional senior unsecured notes, for proceeds of \$125.0 and transaction costs of \$2.3. A derivative asset of \$1.0 was recognized in connection with the issuance and included in the initial carrying amount of the 2029 Notes.

Revolving Credit Facilities

In the fourth quarter of 2025, Chemtrade amended and restated its Credit Facilities by extending the maturity of the facility to October 2030 with no other changes in the terms.

The Credit Facilities are secured by substantially all of Chemtrade's assets. At March 31, 2026, the weighted average effective interest rate of the facilities was 4.0% (December 31, 2025 - 4.2%). Interest rates on the Credit Facilities are based on Secured Overnight Financing Rate ("SOFR") and Canadian Overnight Repo Rate Average ("CORRA"), adjusted by Chemtrade's credit spread.

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). Chemtrade monitors these ratios and reports them to its lenders on a quarterly basis. As at March 31, 2026 and December 31, 2025, Chemtrade was in compliance with all covenants.

CHEMTRADE LOGISTICS INCOME FUND

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CHEMTRADE LOGISTICS INCOME FUND

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11. LONG-TERM DEBT (continued):

Senior unsecured notes

In January 2025, Chemtrade issued an additional \$125.0 aggregate principal amount of 6.375% Notes due August 28, 2029, resulting in an aggregate principal amount of \$375.0 outstanding on these Notes ("2029 Notes"). Chemtrade recognized transaction costs of \$8.3 (\$2.3 for the additional \$125.0 aggregate principal amount in 2025) related to the issuance against the proceeds of the offering. The Notes include early redemption options allowing Chemtrade to redeem the Notes at a premium, in cash, any time prior to August 27, 2028 and at the principal amount any time after August 28, 2028. Chemtrade recognized a derivative asset of \$3.2 (\$1.0 for the additional \$125.0 aggregate principal amount in 2025) to reflect the redemption features of the 2029 Notes. Chemtrade utilized proceeds of the issuance to pay down its Credit Facilities.

During the fourth quarter of 2025, the Fund closed another private offering of \$250.0 of aggregate principal amount of 5.750% senior unsecured notes ("2032 Notes") due October 1, 2032. Chemtrade recognized transaction costs of \$4.6 related to the issuance against the proceeds of the offering. The 2032 Notes include early redemption options allowing Chemtrade to redeem the Notes at a premium, in cash, any time prior to October 1, 2028 and at principal any time after October 1, 2028. Chemtrade recognized a derivative asset of \$2.7 to reflect the redemption features of the 2032 Notes. Chemtrade utilized proceeds of the issuance to pay down its Credit Facilities.

The 2029 Notes and the 2032 Notes are subject to customary terms, conditions and covenants. Chemtrade is in compliance with these as at March 31, 2026 and December 31, 2025.

Unsecured subordinated non-convertible debentures

During the fourth quarter of 2025, Chemtrade issued \$73.9 aggregate principal amount of 2028 Non-Convertible Debentures as part of a Substantial Issuer Bid ("SIB"). This issuance was completed in exchange for extinguishing a portion of the existing 2028 Convertible Debentures. Except for the removal of the conversion option, the key terms are the same as the extinguished debt.

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12. UNITS AND OTHER COMPONENTS OF EQUITY:

(a) Units:

Chemtrade has authorized an unlimited number of units. Chemtrade's units have no par value. The following table presents the number of units outstanding:

	2026		2025	
	Number of Units	Amount	Number of Units	Amount
Balance - January 1	114,179,394	\$ 1,549.3	119,010,732	\$ 1,629.6
Units repurchased under NCIB	(2,337,199)	(31.7)	(3,865,000)	(52.5)
Balance – March 31	111,842,195	\$ 1,517.6	115,145,732	\$ 1,577.1

On June 3, 2024, the Fund commenced an NCIB under which the Fund was authorized to purchase up to 11,672,524 of its units over a 12 month period which ended June 2, 2025. On August 19, 2025, the Fund commenced another NCIB under which the Fund was authorized to purchase up to 11,231,131 of its units over a 12 month period ending August 18, 2026. Chemtrade entered into an automatic share purchase plan (“ASPP”) with its designated broker for the purpose of allowing the Fund to purchase its units under the NCIBs during self-imposed trading blackout periods. Under the ASPP, the broker is authorized to purchase units during blackout periods, without consultation with Chemtrade, on predefined terms, including unit price, time period and subject to other limitations imposed in advance by Chemtrade and subject to the rules and policies of the TSX and applicable securities laws, such as daily purchase restrictions. On April 15, 2026, Chemtrade announced the early termination of its existing NCIB and the commencement of a new NCIB which commenced on April 17, 2026 and will terminate on April 16, 2027. Refer to note 18 [Subsequent Events](#) for further details.

During the three months ended March 31, 2026, the Fund purchased 2,337,199 units (2025 - 3,865,000 units) as part of the NCIB and recorded a reduction in the book value of units of \$31.7 (2025 - \$52.5). The difference between the book value and purchase cost, resulted in a loss of \$4.3, which in addition to buy-back tax of \$0.6 (2025 - gain of \$13.4 less buy-back tax of \$0.8) was recognized in Contributed surplus. Chemtrade did not recognize a liability under the ASPP at March 31, 2026, as the latest blackout period did not start until after March 31, 2026.

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12. UNITS AND OTHER COMPONENTS OF EQUITY (continued):

(b) Distributions:

Effective with the distributions declared in January 2025 and paid in February 2025, Chemtrade increased the monthly distributions from \$0.0550 per unit to \$0.0575 per unit. Effective with the distributions declared in January 2026 and paid in February 2026, Chemtrade increased the monthly distributions from \$0.0575 per unit to \$0.06 per unit.

Distributions paid for the three months ended March 31, 2026 were \$20.1 (2025 - \$20.0) or \$0.1775 per unit (2025 - \$0.1700 per unit). All of Chemtrade's distributions are discretionary and subject to Board approval. Distributions declared for the three months ended March 31, 2026 were \$20.2 (2025 - \$20.1) or \$0.1800 per unit (2025 - \$0.1725 per unit).

As at March 31, 2026, Chemtrade had Distributions payable of \$6.7 (December 31, 2025 - \$6.6) which were paid on April 30, 2026. On April 21, 2026, Chemtrade declared a cash distribution of \$0.06 per unit for the month of April 2026 payable on May 29, 2026 to Unitholders of record at the close of business on April 30, 2026.

CHEMTRADE LOGISTICS INCOME FUND

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13. SHARE-BASED PAYMENTS:

Chemtrade operates a Long-term Incentive Plan ("LTIP"), which grants cash awards based on certain criteria. The LTIP awards have a performance based Performance Share Unit ("PSU") component and a Restricted Share Unit ("RSU") component. The performance based PSU component of the 2024 - 2026, 2025 - 2027 and 2026 - 2028 LTIP awards is based on return on invested capital relative to an initial target and total return to Chemtrade's Unitholders relative to two peer groups which are the S&P/TSX Dividend Composite Index and a group of peer companies selected by Chemtrade. Total Unitholder return consists of changes in unit price and distributions paid to Unitholders over the course of the performance periods. For certain participants, the performance based PSU component under the 2024 - 2026 LTIP awards is also adjusted by sustainability goals to be achieved by the end of the performance period. The RSU component of the LTIP awards is a phantom plan which is payable in cash at the end of the performance period.

As at March 31, 2026, a liability of \$39.5 (December 31, 2025 - \$60.2) has been recorded for LTIP awards, of which \$27.2 (December 31, 2025 - \$30.9) is included in Trade payables and accrued liabilities and \$12.3 (December 31, 2025 - \$29.3) is included in Long-term accrued liabilities. During the first quarter of 2026, Chemtrade paid \$30.7 to settle the 2023 - 2025 LTIP awards. For the three months ended March 31, 2026, Chemtrade recorded an expense of \$5.7 (2025 - \$2.8) in Selling and administrative expenses related to the fair value adjustments on the LTIP.

The following RSUs under these plans are outstanding:

	Number of rights	
	2026	2025
Balance – January 1	2,059,399	2,262,291
Grants – new grants	421,016	576,344
– distribution equivalents	22,771	22,935
Forfeitures	(14,658)	(24,522)
Settlements	(702,309)	(830,293)
Balance – March 31	1,786,219	2,006,755

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
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Three months ended March 31, 2026 and 2025

13. SHARE-BASED PAYMENTS (continued):

The following PSUs under these plans are outstanding:

	Number of rights	
	2026	2025
Balance – January 1	3,728,729	4,015,314
Grants – new grants	425,422	589,010
– estimated performance adjustment	75,204	(197,808)
– distribution equivalents	47,687	11,924
Forfeitures	(16,729)	(30,566)
Settlements	(1,387,798)	(1,703,173)
Balance – March 31	2,872,515	2,684,701

Chemtrade has in place a deferred unit plan ("DUP") for non-employee trustees ("Participants"), pursuant to which the Participants can elect to take all or a portion of their compensation in the form of deferred units of Chemtrade, with the remainder as a cash payment. The deferred units are settled in units of the Fund issued from treasury or in cash at the Participant's request. Currently, the Participants are required to take a minimum of 50% of their compensation in the form of deferred units of Chemtrade. As at March 31, 2026, 784,756 deferred units at a value of \$12.7 were outstanding (December 31, 2025 - 761,215 deferred units at a value of \$11.2).

The following rights under the DUP are outstanding:

	Number of rights	
	2026	2025
Balance – January 1	761,215	828,080
Grants – new grants	15,094	27,185
– distribution equivalents	8,447	13,889
Balance – March 31	784,756	869,154

Inputs for measurement of fair values

The inputs used in the measurement of the fair value of the share-based component of LTIP are as follows:

	March 31, 2026	December 31, 2025
Chemtrade units:		
Average base price	\$11.32	\$9.47
Period-end unit price	\$16.16	\$14.72
Average expected volatility	24.30%	24.95%
Average risk free interest rate	2.83%	2.50%
Average expected remaining term	1.75 years	1.50 years

CHEMTRADE LOGISTICS INCOME FUND

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14. FINANCIAL INSTRUMENTS:

(a) Derivatives and hedging:

	Statements of Financial Position Location	March 31, 2026		December 31, 2025	
		Fair Value		Fair Value	
		Asset	Liability	Asset	Liability
Derivatives designated in a formal hedging relationship					
Cash-settled unit swaps	Current Derivative assets	\$ 15.0	\$ —	\$ 13.5	\$ —
Cash-settled unit swaps	Non-current Derivative assets	14.2	—	12.6	—
Derivatives not designated in a formal hedging relationship					
Interest rate swaps ⁽¹⁾	Current Derivative assets	1.9	—	1.9	—
Foreign exchange contracts ⁽²⁾	Trade payables and accrued liabilities	—	(0.6)	2.3	—
Redemption option derivative asset ⁽³⁾	Long-term debt	4.6	—	5.9	—
Cash-settled unit swaps	Current Derivative assets	8.6	—	6.2	—
Total		\$ 44.3	\$ (0.6)	\$ 42.4	\$ —

⁽¹⁾ The notional amounts for the interest rate swaps is US\$175.0 as at March 31, 2026 and December 31, 2025

⁽²⁾ See below for notional amounts.

⁽³⁾ Redemption option derivative asset is disclosed as net of the proceeds of issuance of the Notes (see note 11).

Chemtrade has swap arrangements in place to fix interest rates on US\$175.0 of its Credit Facilities until December 2026. For the three months ended March 31, 2026, Chemtrade recognized a loss of \$nil, (2025 - a loss of \$2.1) in Net earnings relating to the changes in the fair value of the interest rate swaps.

Chemtrade hedges its investment in foreign operations that use the U.S. dollar as their functional currency by Chemtrade's U.S. dollar-denominated bank debt. Any foreign currency gains and losses arising from the U.S. dollar-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 foreign currency translation of the designated amount of U.S. dollar-denominated debt and investment in foreign operations are recognized in Other comprehensive income. For the three months ended March 31, 2026, a foreign exchange loss of \$0.3 (2025 - \$nil) on the revaluation of the U.S. dollar-denominated debt related to this hedging strategy was recognized in Other comprehensive income, net of tax.

Chemtrade has entered into cash-settled unit swap arrangements which fix the unit price on a portion of the RSU and PSU components of its LTIP awards and a portion of the deferred units awarded under the DUP. During the first quarter of 2025, Chemtrade rolled over the hedged units maturing on March 31, 2025, into 2026, 2027 and 2028. During the first quarter of 2026, Chemtrade rolled over the hedged units maturing on March 31, 2026, into 2027, 2028 and 2029.

CHEMTRADE LOGISTICS INCOME FUND

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14. FINANCIAL INSTRUMENTS (continued):

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 March 31, 2026, the notional number of units hedged was 2,637,462 (December 31, 2025 - 2,727,626) with maturity dates ranging between March 2027 and March 2029. Distributions on the hedged units are reinvested in these swap arrangements. The 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 RSUs and PSUs 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 these deferred units swaps are recognized in Net earnings. As at March 31, 2026, the notional number of units not hedged was 786,926 (December 31, 2025 - 661,951) maturing in March 2027.

Chemtrade has entered into foreign exchange contracts to manage some of its exposure to foreign currencies. Chemtrade buys and sells specific amounts of currencies at pre-determined dates and exchange rates, which are matched with the anticipated operational cash flows.

Contracts in place at March 31, 2026 include future contracts to sell the following amounts for periods through to March 2027:

Amount	Maturity	Exchange rate
US\$44.1	Q2 2026	\$1.38
US\$35.2	Q3 2026	\$1.38
US\$27.2	Q4 2026	\$1.38
US\$18.0	Q1 2027	\$1.37

The redemption option derivative asset (see note 11) associated with the Notes is an embedded derivative separately recognized to reflect the redemption features of the Notes.

(b) Fair values of financial instruments:

Fair value is the value that would be agreed upon in an arm's length transaction between willing and knowledgeable counter-parties. The carrying amounts of Cash and cash equivalents, Trade receivables, Trade payables and accrued liabilities and Distributions payable approximate their fair values because of the short-term maturity of these financial instruments.

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Three months ended March 31, 2026 and 2025

14. FINANCIAL INSTRUMENTS (continued):

The carrying amount of the Credit Facilities, approximates fair value as the debt accrues interest at variable interest rates. The fair value of the 2029 Notes is \$386.8 (December 31, 2025 - \$388.3) and the fair value of the 2032 Notes is \$253.7 (December 31, 2025 - \$254.4), which is higher than the carrying amount as the fixed interest rate is higher than the market interest rate for similarly rated notes as at March 31, 2026. The fair value of the Non-Convertible Debentures is \$75.8 (December 31, 2025 - \$76.6), which exceeds the carrying amount, reflecting a trading closing price above the principal amount as at March 31, 2026.

For fair value estimates relating to the Convertible Debentures, the Non-Convertible Debentures, the Notes and derivatives, Chemtrade classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs which are supported by little or no market activity.

The Convertible Debentures are classified within Level 1 because they are actively traded on the TSX and the fair value is based on the quoted prices on the TSX. Any changes in the fair value of the Convertible Debentures are recognized in Net earnings except for changes due to the Fund's own credit risk which are recorded in Other comprehensive income.

The Notes are classified within Level 2 because they are based on rates quoted by banks and other public data sources.

The Non-Convertible Debentures are classified within Level 1 because they are actively traded on the TSX and the fair value is based on the quoted prices on the TSX.

All of Chemtrade's derivative financial instruments are classified within Level 2 because they are based on rates quoted by banks and other public data sources. The current portion of these derivatives is recorded in Derivative assets and Trade payables and accrued liabilities and the non-current portion is recorded in Derivative assets and Long-term debt in the Condensed Consolidated Interim Statements of Financial Position.

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14. FINANCIAL INSTRUMENTS (continued):

The fair value of the foreign exchange contracts is the difference between the forward exchange rate and the contract rate. Any changes in the fair value of these contracts are recognized in Net earnings.

The fair value of the interest rate swap arrangements is the difference between the forward interest rates and the contract rates discounted. Any changes in the fair value of these arrangements are recognized in Net earnings.

The fair value of the cash-settled unit swap arrangements is the difference between the forward unit price and the contract unit price. Any changes in the fair value of the unvested portion of the unit swaps are recognized in Other comprehensive income. Any changes in the fair value of the vested unit swaps are recognized in Net earnings.

The fair value of the redemption option derivative asset reflects the redemption features of the Notes and changes to the fair value are recognized in Net earnings with fair value based on models using observable interest rate inputs.

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15. CAPITAL MANAGEMENT:

Chemtrade's objective when managing its capital is to safeguard Chemtrade's assets and its ability to continue as a going concern, to meet external capital requirements related to its credit facilities, and to maximize the growth of its business and the returns to its Unitholders. Chemtrade's capital structure is comprised of units, Convertible Debentures and Long-term debt. The Long-term debt consists of Credit Facilities, Non-Convertible Debentures and the Notes. The Credit Facilities do not require payment until October 2030, the Non-Convertible Debentures mature in June 2028 and the Notes do not require payment until August 2029 and October 2032. The Convertible Debentures mature in June 2028. Chemtrade intends to maintain a flexible capital structure consistent with the objectives stated above and to respond to changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, Chemtrade may purchase units for cancellation, issue new units, raise debt (secured, unsecured, convertible and/or other types of available debt instruments) or refinance existing debt with different characteristics.

Chemtrade utilizes annual capital and operating expenditure budgets to facilitate the management of its capital requirement. These budgets are approved by the Board. Budgets are updated if there are significant changes in fundamental underlying assumptions during a period.

Chemtrade monitors capital using a Net debt to LTM Adjusted EBITDA ratio. Net debt to LTM Adjusted EBITDA ratio is 'Net debt' divided by last twelve months (LTM) Adjusted EBITDA. Chemtrade includes within Net debt, Long-term debt, Convertible Debentures, Lease liabilities, less Cash and cash equivalents. Chemtrade monitors 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.

	2026	2025
Long-term debt ⁽¹⁾	\$ 1,090.0	\$ 991.2
Add (Less):		
Convertible Debentures ⁽¹⁾	25.5	25.5
Long-term lease liabilities	121.4	132.4
Lease liabilities ⁽²⁾	58.5	58.7
Cash and cash equivalents	(46.5)	(27.4)
Net debt	1,248.9	1,180.4
LTM Adjusted EBITDA ⁽³⁾	\$ 500.8	\$ 507.4
Net debt to LTM Adjusted EBITDA	2.49	2.33

⁽¹⁾ Principal outstanding amount, see notes 10 and 11.

⁽²⁾ Presented as current liabilities in the Consolidated Statements of Financial Position.

⁽³⁾ LTM Adjusted EBITDA represents the last twelve months Adjusted EBITDA.

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

15. CAPITAL MANAGEMENT (continued):

Chemtrade is subject to certain covenants on its credit facilities, which include Net Debt to EBITDA ratios and an Interest Coverage ratio (as all terms are defined in the credit agreement). Chemtrade monitors these ratios and reports them to its lenders on a quarterly basis. As at March 31, 2026 and December 31, 2025, Chemtrade was in compliance with the above covenants.

There were no changes in Chemtrade's approach to managing capital during the three months ended March 31, 2026.

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

16. MATERIAL ACCOUNTING POLICIES:

(a) Standards and interpretations adopted during the period

Chemtrade adopted the following accounting amendments that were effective beginning January 1, 2026.

- 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. Due to the adoption of the amendments, Chemtrade changed its accounting policy to derecognize trade receivables when its contractual rights to the cash flows expire and derecognize trade payables when the liability is extinguished, i.e. at the settlement date. In Chemtrade's financial statements for periods beginning before January 1, 2026, as per its previous accounting policy, Chemtrade adjusted cash balances at the reporting period end to reflect incoming and outgoing cash payments 'in transit' and derecognized trade receivables at the date it received a cheque from customers or customers initiated payments via electronic transfer, and derecognized trade payables at the date it issued a cheque to suppliers or sent electronic payment instructions to its bank to transfer funds to suppliers.

Chemtrade chose to apply the change in accounting policy prospectively in accordance with the transitional provisions of the amendment, and comparatives have not been restated. The change in accounting policy had no impact on profit or loss, other comprehensive income or earnings per share. The impact on the balance sheet at January 1, 2026, was an increase in trade receivables of \$1.0, an increase in trade payables of \$2.4 and an increase in cash of \$1.4. The impact on the statement of cash flows was to increase the opening balance of cash at January 1, 2026, by \$1.4.

- 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. The adoption of the clarifications and amendments have not had a material impact on its financial results.

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

16. MATERIAL ACCOUNTING POLICIES (continued):

(b) Standards and interpretations not yet adopted

The 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 the Financial Statements*, specifying the requirements for all entities applying IFRS Accounting Standards 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).

Chemtrade is assessing the impacts the amendments and new standard will have on its consolidated financial statements.

CHEMTRADE LOGISTICS INCOME FUND

Notes to Condensed Consolidated Interim Financial Statements
(In millions of Canadian dollars, except per unit amounts)
(Unaudited)

Three months ended March 31, 2026 and 2025

17. SUBSEQUENT EVENTS:

Normal Course Issuer Bid

For the period from April 1, 2026 to May 8, 2026, 378,100 units were purchased by the Fund under the automatic share purchase plan.

Early Termination and Renewal of Normal Course Issuer Bid

On April 15 2026, Chemtrade announced the early termination of its existing normal course issuer bid which commenced on August 19, 2025 and had an expiry date of August 18, 2026 (the "Terminated NCIB") and the commencement of a new normal course issuer bid ("New NCIB"). As a result of the early termination and commencement of the New NCIB, the 5,277,900 units purchased under the Terminated NCIB were deducted from the maximum number of units that may be purchased under the New NCIB. Under the New NCIB, Chemtrade is authorized to purchase up to 11,111,948 units, representing approximately 10% of Chemtrade's public float (being 111,119,484 units) as of April 10, 2026, less the 5,277,900 units purchased under the Terminated NCIB, for net new purchases of up to 5,834,048 units (out of the 111,736,394 units outstanding as of April 10, 2026). The New NCIB commenced on April 17, 2026 and will terminate on April 16, 2027, or such earlier date that Chemtrade completes purchases.