ROHIT BHARDWAJ, CHIEF FINANCIAL OFFICER

Hello and thank you for listening to Chemtrade Logistics Income Fund's prepared remarks for the second quarter of 2026. We appreciate your continued interest.

Also, on August 13, 2026, we will hold a live question-and-answer call, which will be available via webcast accessible on our investor relations website. Scott Rook, our President and Chief Executive Officer, will provide comments later in this call.

Please note that this earnings update has an accompanying slide deck, which you may reference during our prepared remarks and Q&A. This slide deck is available on our website, chemtradelogistics.com.

Before we begin, I would like to remind everyone that today's discussion contains forward-looking statements that are based on current expectations and are subject to a number of risks and uncertainties. Actual results may differ materially from those expressed or implied by today's comments. Additional information regarding these risks and uncertainties, as well as reconciliations of non-IFRS financial measures, can be found in our disclosure documents filed on SEDAR+. Throughout today's remarks, we will refer to Adjusted EBITDA simply as EBITDA. This format and disclaimer remain consistent with Chemtrade's recent earnings calls.

The update will include a recap of our second quarter 2026 financial results, segment performance, capital allocation and financial position, as well as the outlook for the balance of the year. Following my remarks, Scott will provide additional commentary on the outlook for our operating segments, key products, and growth initiatives.

Turning to our results.

The second quarter represented another positive quarter for Chemtrade as our diversified portfolio once again demonstrated its resilience despite continued volatility across commodity and energy markets. Merchant and Regen acid in the ASP segment, alongside Polytec in the WS segment, were strong contributors that provided a significant, although partial, offset to some of the pricing trends in the EC segment and to the high-input cost environment for Water Solutions products. As the exchange rate between the Canadian and U.S. dollars was unchanged year-over-year, it did not have an impact on our results while the biennial maintenance turnaround in North Vancouver negatively affected EBITDA by approximately $7 million.

Overall, second quarter revenue was approximately 17% higher than the prior year while EBITDA was lower by approximately 8%. Excluding the impact of the North Vancouver turnaround, EBITDA was lower by approximately 3% year-over-year.

Distributable Cash after Maintenance Capex of 38 cents per unit was approximately 25 cents lower year-over-year reflecting the lower EBITDA and higher maintenance capex, partially offset by the lower number of units. The distribution payout ratio of 45% for the last twelve months highlights the sustainability of Chemtrade's distributions and the flexibility in our capital allocation options.

Turning now to our segments' results.

Beginning with ASP, our Acid & Sulphur Products segment once again achieved strong profitability and cash flow during the quarter.

ASP revenue increased approximately 32% meanwhile EBITDA increased approximately 22% versus the second quarter of 2025 driven by higher prices especially for merchant and Regen acid that more than offset the higher sulphur costs.

Sulphur prices remain elevated relative to historical levels. However, the combination of contractual pass-through mechanisms, disciplined commercial execution, and operational efficiencies continue to mitigate the higher Sulphur cost in the ASP segment.

Turning to WS, our Water Solutions segment, also delivered positive results despite higher input costs and their impact on margins.

WS Revenue and EBITDA increased by 31% and 13%, respectively year-over-year driven primarily by the acquisition of Polytec as higher selling prices for other Water Solutions products were not sufficient to fully offset the higher input costs. As a reminder, we renew WS contracts on an ongoing basis and continue to expect margin improvement on these renewals over the coming quarters.

WS is a pillar of our long-term growth strategy, supported by strong secular demand drivers and attractive returns.

Turning to the Electrochemicals segment, where results were below those achieved in the second quarter of 2025. This was mainly due to lower prices and netbacks for chlor-alkali products, lower volumes and prices for sodium chlorate as well as the biennial maintenance turnaround at the North Vancouver plant that was safely executed during the second quarter of 2026. As a reminder, prices for chlor-alkali products declined throughout last year implying difficult year-over-year comparables especially for the first half of 2026.

On a MECU basis, netbacks decreased by approximately $350 in the second quarter with approximately 80% of the decline tied to hydrochloric acid and chlorine.

Excluding the North Vancouver turnaround EBITDA impact of $7 million, EC Revenue was 7% lower while EBITDA 26% lower compared to the second quarter of 2025.

Scott will discuss the outlook for key products in more detail.

Corporate costs in the second quarter were lower year-over-year at $24 million versus $30 million in the second quarter of 2025. The decrease is primarily due to lower short-term and long-term incentive compensation.

Turning now to capital allocation and our financial position.

Chemtrade continues to execute a disciplined and balanced capital allocation framework focused on a balance of attractive growth opportunities, returning capital to unitholders, and maintaining a conservative balance sheet.

During the second quarter, we generated strong distributable cash of $42 million while investing approximately $11 million in organic growth projects.

We were active on our NCIB acquiring approximately 1 million units during the quarter and approximately 3.2 million units on a year-to-date basis.

I am also pleased to highlight that at the end of the second quarter, in a capital structure milestone, Chemtrade removed all convertible debt from its balance sheet.

Our balance sheet remains robust, with second quarter leverage of 2.55x and liquidity of over $400 million to support both internal investments and disciplined acquisition opportunities should they arise.

Looking ahead at the balance of 2026.

Due to geopolitical events and the high-price energy environment, prices for several Chemtrade products have seen both price increases and volatility in the first six months of 2026.

As highlighted in our updated guidance, chlor-alkali products are expected to continue seeing price pressures in the second half of 2026. However, reflecting the resilience and stability of our diversified product mix, Chemtrade is maintaining its 2026 Adjusted EBITDA guidance unchanged and reiterates a range of $485 to $525 million. Achieving the midpoint of this range would represent a near record level of EBITDA for Chemtrade.

It is also worth highlighting that the timing of maintenance capex in 2026 is significantly different than 2025. During 2025, approximately two-thirds of the annual maintenance capex was incurred during the second half of the year, whereas less than half is expected to be incurred in the second half of 2026.

With that, I will now turn it over to Scott to provide an update on operational performance, outlook for key products, and strategic initiatives.

SCOTT ROOK, PRESIDENT AND CHIEF EXECUTIVE OFFICER

Thank you, Rohit.

Our second quarter results demonstrate the resilience of Chemtrade's business model and reinforce our confidence in the long-term strategy we outlined through Vision 2030. While market conditions continue to evolve across several of our product lines, our diversified portfolio, disciplined commercial execution, and focus on operational excellence continue to position Chemtrade to generate attractive returns throughout the economic cycle.

These achievements will enable Chemtrade to continue executing towards the goal of achieving mid-cycle EBITDA of $550 million to $600 million by 2030 through 5%-10% average annual growth in EBITDA and Distributable Cash.

Importantly, none of this would be possible without our employees. Across North America and Brazil, our teams continue to operate our facilities reliably, safely, and efficiently. Their commitment remains the foundation of our success, and I would like to thank every member of the Chemtrade team.

Let me now provide some additional perspective on each of our operating segments.

Beginning with our Acid & Sulphur Products, we continue to view this business as a key growth and cash-generating platform within Chemtrade.

We entered 2026 expecting a more normalized environment following the exceptional conditions experienced last year. However, the business has continued to perform very well. Our teams continue to focus on maximizing margins through pricing discipline, customer relationships, and operational reliability.

Demand for Regen acid continues to be supported by refinery activity across North America. Regen has consistently demonstrated its resilience throughout varying economic environments and we expect stable strong demand going forward.

Merchant acid continues to see healthy demand and benefits from contractual structures that help mitigate volatility of input costs.

Also, note that 2026 is expected to be maintenance heavy for acid assets.

In Ultrapure Acid, we continue to make progress both commercially and technically and are well on track to achieve our targets. I will provide more colour in the growth outlook section.

Sulphur is a key raw material in the ASP segment and prices have increased significantly since the end of 2025. We expect prices to soften slightly but to remain above historical levels in the second half of this year.

Within Water Solutions, we continue to see robust demand in both municipal and industrial markets reflecting non-discretionary use and tightening regulations for these products regardless of broader economic conditions.

However, raw material costs, particularly due to higher sulphur prices, have continued to impact margins in the second quarter. As sulphur prices have risen further in the third quarter and remain elevated, their impact is expected to continue into the second half of this year. However, we renew our contracts on a rolling basis and expect to capture the current high input costs over the course of the next several quarters.

The integration of Polytec is progressing in-line with expectations and we continue to see and respond to multiple growth opportunities.

Across the Water Solutions segment, we have identified and are executing on a number of organic growth projects while maintaining an active acquisition pipeline.

In the Electrochemicals segment, market conditions have been volatile during the first half, and we expect price pressures in chlor-alkali to continue into the second half of this year.

As a result, we have updated our pricing assumptions for the remainder of 2026 to reflect a Northeast Asia index level of approximately US$370 per tonne compared to our prior assumption of US$415 per tonne and the US$435 per tonne realized last year. However, current industry forecasts on caustic soda contract pricing in Taiwan point to improvements starting later this year and continuing into 2029.

Turning to other chlor-alkali products.

Demand for merchant chlorine is relatively steady in the seasonally stronger warmer months while prices are stable to moderating.

Hydrochloric acid is seeing stronger demand and tighter supply from geopolitical events while the Canadian oil & gas outlook remains steady to positive. Additionally, industry expectations point to potentially higher demand for hydrochloric acid that can be used as a substitute for sulphuric acid in certain industries.

We continue to expect flat volumes for sodium chlorate in 2026 as demand from the ongoing operations of some of our customers is offset by mill closures. Although disappointing, industry volume curtailments are incorporated into our long-term business plan. Our low-cost production footprint enables a supportive outlook particularly in a high-price energy environment.

Turning now to our North Vancouver chlor-alkali facility where the biennial turnaround was successfully completed during the second quarter. As previously disclosed, Chemtrade's amended rezoning application received final adoption on July 20th. It allows for continued production of liquid chlorine for another 20 years subject to a new lease with the Port of Vancouver and Chemtrade's compliance with conditions outlined in the covenants agreed with the District.

In order to comply with the Port lease LOI and the covenants agreed with the District, capital investments are required, including upgrades to the on-site safety of liquid chlorine and new chlorine liquification facilities on the portion of land owned by Chemtrade. While engineering assessment is ongoing, we have preliminary estimates of an investment range of $75 to $125 million.

We recently became aware of the filing of a petition for a judicial review of the District's decision regarding Chemtrade's rezoning application. Chemtrade disputes the legal and factual basis of the Petition and will vigorously oppose the relief sought in the Petition. We also look forward to finalizing our lease agreement with the Port and building permits with the District of North Vancouver to secure continued liquid chlorine operations and uninterrupted municipal water safety in Western Canada.

Organic growth remains an important pillar of our strategy and, as discussed in prior updates, 2026 organic growth investments will be primarily directed towards strategic projects in Water Solutions. We invested approximately $11 million during the second quarter and $17 million during the first half of this year versus a full year plan of $40 to $60 million.

Specifically, we're expanding capacity for a number of products as we continue to see strong demand in both municipal and industrial markets. While many of these projects are modest in scale individually, they collectively represent meaningful earnings potential. The plant in Augusta, Georgia is a notable example of these types of projects, and we are happy to share that the plant is running well and expect that it contributes to incremental growth in coming quarters.

In Ultrapure Acid, we continue to make commercial progress with two of the four largest semiconductor manufacturers and have already met their specifications. We have also passed several important qualifications steps and are actively progressing through the qualification process with two other leading semiconductor manufacturers.

In addition to organic growth, we remain active in evaluating strategic acquisition opportunities that add to our existing capabilities or enhance our market position. Although 2026 priorities are focused on organic initiatives and the integration of acquisitions, our pipeline is active and focused on water-products acquisitions that offer strategic fit, synergies, and attractive returns.

As a reminder, all of the products that Chemtrade exports to the U.S. from Canada are CUSMA compliant and, to-date, we have not seen material direct impact from incremental tariffs.

We continue to monitor these developments closely and will reassess in the event of material changes. We are optimistic that we will be able to work with our customers and suppliers to manage any additional costs, if necessary. Additionally, we highlight the significant cost advantage of our export products.

In conclusion, Chemtrade remains on a solid footing with a product mix that provides the cash flow stability to advance multiple growth opportunities. We similarly remain on track to deliver on Vision 2030 targets as organic growth projects and acquisitions will more than offset the pullback we have seen in the chlor-alkali market.

Our priorities remain unchanged and focused on operational and commercial excellence, identifying and executing on growth opportunities, and maintaining a conservative balance sheet while returning capital to our unitholders.

Thank you once again for your support and continued confidence in Chemtrade.