



**CHEMTRADE**



**RESPONSIBLE CARE®**  
OUR COMMITMENT TO  
SUSTAINABILITY

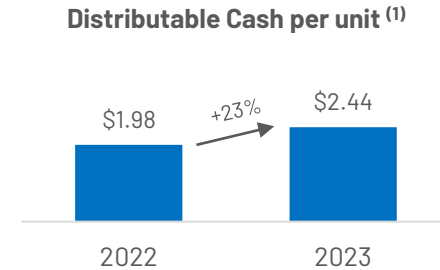
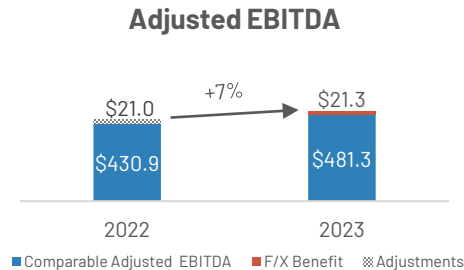
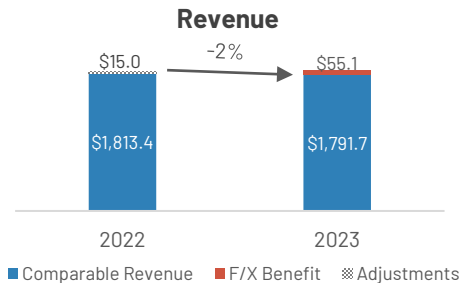
**2023** ANNUAL GENERAL MEETING  
May 16, 2024

- 2023 Highlights
- Q1 2024 Financial Results
- 2024 Guidance & Assumptions
- Investment Highlights
- Q&A

## CAUTION REGARDING FORWARD- LOOKING STATEMENTS

Certain statements contained in this presentation constitute forward-looking statements within the meaning of certain securities laws, including the Securities Act (Ontario). Forward-looking statements can be generally identified by the use of words such as “anticipate”, “continue”, “estimate”, “expect”, “expected”, “intend”, “may”, “will”, “project”, “plan”, “should”, “believe” and similar expressions. Forward-looking statements in this presentation describe the expectations of Chemtrade Logistics Income Fund (“Chemtrade”) and its subsidiaries as of the date hereof. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements for a variety of reasons, including without limitation the risks and uncertainties detailed under the “RISK FACTORS” section of Chemtrade’s latest Annual Information Form and the “RISKS AND UNCERTAINTIES” section of Chemtrade’s most recent Management’s Discussion & Analysis. Although Chemtrade believes the expectations reflected in these forward-looking statements and the assumptions upon which they are based are reasonable, no assurance can be given that actual results will be consistent with such forward-looking statements, and they should not be unduly relied upon. Except as required by law, Chemtrade does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or for any other reason. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. Further information can be found in the disclosure documents filed by Chemtrade with the securities regulatory authorities, available on [www.sedarplus.ca](http://www.sedarplus.ca).

One of the measures referred to in this presentation is Adjusted EBITDA, which is EBITDA modified to exclude only non-cash items such as unrealized foreign exchange gains and losses. Non-IFRS and other financial measure are fully defined in our MD&A.



## Second consecutive year of record results in 2023, reflecting continued strong organization-wide performance

- Adjusted EBITDA increased by 7% year-over-year after adjusting for prior-year impacts from a North Vancouver plant turnaround and costs related to the closure of the Beauharnois, QC sodium chlorate facility, as well as more favourable foreign exchange,
- Higher realized selling prices across numerous key products and commercial excellence and profitability initiatives across Chemtrade's product portfolio contributed to improved margins
- A continued steadfast focus on Productivity & Reliability helped ensure plants production utilization was optimized
- Benefitted from diversity of product portfolio as areas of strength including water solutions, Regen acid, sodium chlorate, chlorine and HCl more than offset pockets of weakness

(1) Adjusted EBITDA is a Total of segments measure. Distributable Cash per unit as shown is Distributable cash after maintenance capital expenditures per unit which a non-IFRS ratio. See Appendix for more information.

### Balanced capital allocation across three core pillars

#### Strategic Investments

- Invested \$62.1 million in growth capital expenditures<sup>(1)</sup> in 2023, reflecting strategic investments into high-return organic growth projects that are anticipated to drive incremental earnings and cash flows in the coming years
- Cairo, Ohio Ultra-Pure Acid Expansion and Upgrade Project on track to start-up early in H2 2024 and to contribute more meaningfully to results in 2025

#### Strong Balance Sheet

- Ongoing balance sheet deleveraging supported by cash generation, Adjusted EBITDA<sup>(1)</sup> growth, sale of non-core P<sub>2</sub>S<sub>5</sub> business and a reduction in debt
- Net debt<sup>(1)</sup> reduced by 13% during 2023 and Net Debt / LTM Adjusted EBITDA<sup>(1)</sup> ratio declined to 1.7x at the end of 2023 from 2.2x at the end of 2022

#### Return Capital to Unitholders

- Returned \$70.1 million of capital to unitholders in 2023 via monthly distributions
- Announced a 10% distribution increase in January 2024 to 5.5 cents per month, reflecting an improved sustainable long-term outlook for Chemtrade's cash flow
- Payout ratio of 25%<sup>(1)</sup> in 2023 and a distribution yield of ~7.5%, as of April 30, 2024.

(1) Growth capital expenditures and Net Debt are non-IFRS financial measures. Adjusted EBITDA is a Total of segments measure. Net debt to Adjusted EBITDA is a Capital management measure. Payout ratio is a non-IFRS ratio. See Appendix for more information.



# Q1 2024 Consolidated Quarterly Results

C\$ Millions, except per unit metrics and ratios

Q1 2024 results represented a solid start to 2024 and were ahead of Chemtrade's internal expectations, albeit below the record Q1 results achieved in 2023.

	Q1 2024	Q1 2023	Change (\$)	Change (%)
Revenue	418.2	471.2	(53.0)	(11)%
Net Earnings (Loss)	42.0	79.5	(37.6)	(47)%
Adjusted EBITDA <sup>(1)</sup>	109.9	131.7	(21.7)	(17)%
Cash Flows from Operating Activities	2.4	54.4	(52.0)	(96)%
Distributable cash after maintenance capital expenditures <sup>(1)</sup>	59.9	87.6	(27.7)	(32)%
DCPU <sup>(1)(2)</sup>	0.51	0.76	(0.25)	(33)%
LTM Payout ratio (%) <sup>(1)(3)</sup>	28%	28%	n/a	n/a
Net debt <sup>(1)</sup>	913.7	978.0	(64.3)	(7)%
Net debt to LTM Adjusted EBITDA <sup>(1)</sup>	1.9x	2.2x	n/a	n/a

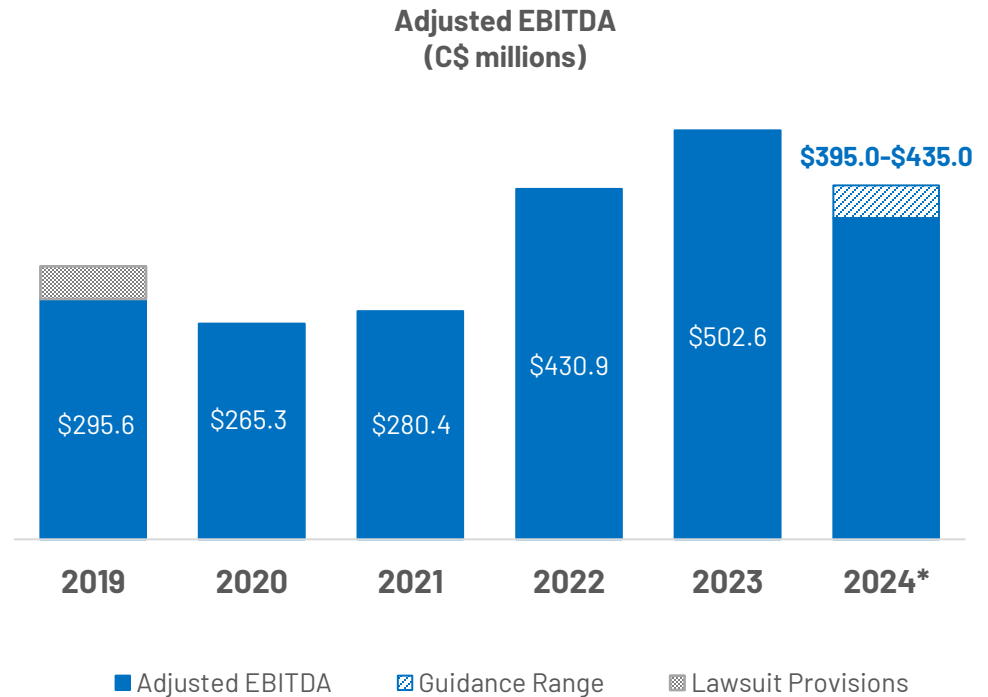
(1) Adjusted EBITDA is a Total of segments measure; Distributable cash after maintenance capital expenditures is a non-IFRS financial measure and DCPU (Distributable cash after maintenance capital expenditures per unit) and Payout ratio are non-IFRS ratios. Net debt to LTM Adjusted EBITDA is a Capital management measure that includes Net debt, which is a non-IFRS financial measure. See Appendix for more information.

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

(3) Payout ratio for the last twelve months.

## 2024 Guidance

- Reflecting a stronger than anticipated start to the year and the outlook for the balance of 2024, Chemtrade now expects 2024 Adjusted EBITDA to be at the higher end of its previously communicated guidance range of \$395.0 million and \$435.0 million.
- Achieving the higher end of the 2024 Adjusted EBITDA guidance range would make 2024 one of Chemtrade's three highest ever years for Adjusted EBITDA.
- Anticipate that H2 2024 will be stronger than H1 2024.
- Chemtrade considers the mid-point of 2024's anticipated Adjusted EBITDA of \$415.0 million to represent a sustainable level of mid-cycle earnings with the current business portfolio.



\* 2024 Adjusted EBITDA Guidance

<b>Market Leadership</b>	<p><b>Diversified</b> exposure to industrial and consumer end-markets, with extensive product portfolio.</p> <p><b>Significant regional market share</b> across extensive product portfolio and several multi-year tailwinds.</p>
<b>Strong Execution</b>	<p><b>Commercial Excellence and Profitability initiatives</b> contributing to improved margins.</p> <p><b>Operational Excellence and Reliability initiatives</b> driving improved plant performance.</p>
<b>Growth Opportunities</b>	<p><b>Compelling growth opportunities across the business</b> (Ultrapure acid; Water Chemicals; Green Hydrogen; other opportunities for value creation).</p>
<b>Strengthened Balance Sheet</b>	<p><b>Strong balance sheet</b> (1.9x Net debt to LTM Adjusted EBITDA <sup>(1)</sup>) offers financial flexibility.</p> <p><b>Prudent capital allocation and generating unitholder value</b> a core focus.</p>
<b>Defensive Attributes</b>	<p><b>Many key products are expected to see limited impact in a typical economic recession.</b></p> <p><b>Natural inflation hedge</b> through exposure to commodity pricing.</p>
<b>Attractive Distribution</b>	<p><b>Long track-record of paying distributions</b>; increased 10% in January 2024 to \$0.66/unit (annualized)</p> <p><b>7.5% distribution yield <sup>(1)</sup> and implied 2024 Payout ratio of ~45% <sup>(1)</sup></b>, based on mid-point of guidance.</p>
<b>ESG Leadership</b>	<p><b>Chemtrade aiming to be an industry-leader on ESG</b>, based on 2025 ESG targets.</p>

(1) As of April 30, 2024.

(2) Payout ratio is non-IFRS ratio. Net debt to LTM Adjusted EBITDA is a Capital management measure that includes Net debt, which is a non-IFRS financial measure, and is shown as of the end of Q1 2024. See Appendix for more information.



# Q&A

# APPENDIX



# Non-IFRS financial measures and 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 slides outline 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 flow from operating activities less lease payments net of sub-lease receipts, maintenance capital expenditures 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.

# Non-IFRS financial measures and ratios

C\$ Thousands, except per unit metrics and ratios

	Three months ended March 31		Full Year	
	2024	2023	2023	2022
<b>Cash flow from operating activities</b>	\$ 2,412	\$ 54,372	\$ 369,191	\$ 219,039
Add (Less):				
Lease payments net of sub-lease receipts	(14,643)	(14,083)	(52,360)	(51,563)
Increase in working capital	78,612	45,174	(5,989)	(10,078)
Changes in other items <sup>(1)</sup>	8,874	19,643	4,036	1,972
Maintenance capital expenditures	(15,361)	(17,531)	(99,766)	(75,265)
<b>Distributable cash after maintenance capital expenditures</b>	<b>59,894</b>	<b>87,575</b>	<b>215,112</b>	<b>84,105</b>
Weighted average number of units outstanding	117,136,762	115,657,409	108,445,732	101,730,342
<b>Distributable cash after maintenance capital expenditures per unit</b>	<b>\$ 0.51</b>	<b>\$ 0.76</b>	<b>\$ 1.98</b>	<b>\$ 0.83</b>

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



# Non-IFRS financial measures and ratios

C\$ Millions, except per unit metrics and ratios

	For the twelve months ended	
	Q1 2024	Q1 2023
<b>LTM Cash flow from operating activities</b>	<b>\$ 349.5</b>	<b>\$ 386.4</b>
Add (Less):		
LTM lease payments net of sub-lease receipts	(58.8)	(53.6)
LTM (decrease) Increase in working capital	33.5	(18.6)
LTM changes in other items <sup>(1)</sup>	33.3	28.2
LTM Maintenance capital expenditures	(102.1)	(103.1)
<b>LTM Distributable cash after maintenance capital expenditures</b>	<b>255.3</b>	<b>239.4</b>
Weighted average number of units outstanding	116,578,501	111,234,533
<b>LTM Distributable cash after maintenance capital expenditures per unit</b>	<b>\$ 2.19</b>	<b>\$ 2.15</b>
LTM Distributions declared per unit <sup>(2)</sup>	\$ 0.615	\$ 0.60
<b>LTM Payout ratio (%)</b>	<b>28%</b>	<b>28%</b>

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

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

Agenda

2023 Highlights

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Results

2024 Guidance

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Appendix

*Net debt –*

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

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

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

	For the quarter ended								
	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>Long-term debt <sup>(1)</sup></b>	<b>\$ 322.5</b>	<b>\$ 246.5</b>	<b>\$ 315.0</b>	<b>\$ 368.1</b>	<b>\$ 327.8</b>	<b>\$ 370.0</b>	<b>\$ 377.5</b>	<b>\$ 498.3</b>	<b>\$ 524.1</b>
Add (Less):									
Debentures <sup>(1)</sup>	425.5	425.6	425.7	426.2	627.3	517.4	517.4	517.4	517.4
Lease liabilities	52.3	49.3	51.3	48.0	47.9	45.6	45.4	43.9	44.4
Long-term lease liabilities	141.0	130.6	130.7	120.1	107.8	94.1	90.8	90.7	93.8
Cash and cash equivalents	(27.5)	(21.5)	(35.8)	(34.3)	(132.7)	(72.6)	(36.9)	(23.3)	(19.5)
<b>Net debt</b>	<b>\$ 913.7</b>	<b>\$ 830.5</b>	<b>\$ 886.9</b>	<b>\$ 928.1</b>	<b>\$ 978.0</b>	<b>\$ 954.5</b>	<b>\$ 994.2</b>	<b>\$1,126.8</b>	<b>\$1,160.1</b>

(1) Principal amount outstanding.





# Non-IFRS financial measures and ratios

C\$ Thousands, except per unit metrics and ratios

## Growth capital expenditures –

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

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

**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

	Three months ended		Twelve months ended	
	March 31, 2024	March 31, 2023	December 31, 2023	December 31, 2022
<b>Capital expenditures</b>	\$ 35,227	\$ 27,903	\$ 166,395	\$ 115,440
Add (Less):				
Maintenance capital expenditures	(15,361)	(17,531)	(104,249)	(99,766)
Non-maintenance capital expenditures	19,866	10,372	62,146	15,674
Investment in a joint venture <sup>(1)</sup>	-	-	-	5,931
<b>Growth capital expenditures</b>	\$ 19,866	\$ 10,372	\$ 62,146	\$ 21,605

(1) KPCT Advanced Chemicals LLC (“KPCT”) joint venture’s project to build an ultrapure sulphuric acid facility in Arizona

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

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

# Total of segments measures

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

The following slide provides an explanation of the composition of the Total of segments measures.

*Adjusted EBITDA -*

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

	Three months ended March 31	
	2024	2023
<b>Net earnings</b>	<b>\$ 41,955</b>	<b>\$ 79,533</b>
Add (Less):		
Depreciation and amortization	44,890	52,140
Net finance (income)	5,642	(12,736)
Income tax expense	12,244	13,875
Net loss (gain) on disposal and write-down of PPE	711	1,787
Change in environmental and decommissioning liability	(730)	894
Gain on disposal of assets	-	-
Unrealized foreign exchange loss (gain)	5,222	(3,824)
<b>Adjusted EBITDA</b>	<b>\$ 109,934</b>	<b>\$ 131,669</b>

*Adjusted EBITDA –*

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

	Adjusted EBITDA for the twelve months ended								
	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>LTM Net earnings (loss)</b>	<b>\$211.7</b>	<b>\$249.3</b>	<b>\$225.9</b>	<b>\$230.5</b>	<b>\$ 178.0</b>	<b>\$ 109.1</b>	<b>\$ (59.7)</b>	<b>\$ (155.2)</b>	<b>\$ (204.1)</b>
Add (Less):									
LTM depreciation and amortization	210.2	217.5	215.0	216.8	216.9	217.0	222.1	222.1	229.4
LTM net finance costs	42.4	24.0	27.5	4.0	8.4	50.0	69.7	114.2	123.5
LTM Income tax (recovery) expense	40.4	42.1	64.6	60.8	56.1	60.1	49.3	44.7	41.4
LTM impairment of intangible assets and PPE	-	-	-	-	-	-	130.0	130.0	130.0
LTM change in environmental and decommissioning liability	5.6	7.2	(2.6)	0.9	0.8	-	0.6	0.6	0.6
LTM net (gain) loss on disposal and write-down of PPE	(3.1)	(2.0)	5.7	6.0	4.0	2.1	(0.8)	(1.9)	(0.6)
LTM loss on disposal of assets held for sale	-	-	-	-	(0.2)	0.5	7.6	7.6	7.9
LTM gain on disposal of assets	(24.3)	(24.3)	-	-	(17.4)	(17.4)	(17.4)	(17.4)	-
LTM unrealized foreign exchange (gain) loss	(2.1)	(11.1)	(13.8)	(1.8)	8.2	9.6	17.8	4.6	4.6
<b>LTM Adjusted EBITDA</b>	<b>\$ 480.9</b>	<b>\$ 502.6</b>	<b>\$ 522.2</b>	<b>\$ 517.2</b>	<b>\$ 454.7</b>	<b>\$ 430.9</b>	<b>\$ 419.2</b>	<b>\$ 349.3</b>	<b>\$ 332.8</b>

## Adjusted EBITDA -

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

Adjusted EBITDA for the year ended December 31					
	2023	2022	2021	2020	2019
<b>Net earnings (loss)</b>	<b>\$ 249.3</b>	<b>\$ 109.1</b>	<b>\$ (235.2)</b>	<b>\$ (167.5)</b>	<b>\$ (99.7)</b>
Add (Less):					
Depreciation and amortization	217.5	217.0	239.6	253.9	262.5
Net finance costs	24.0	50.0	116.2	140.3	88.5
Income tax (recovery) expense	42.1	60.1	15.0	(47.5)	(24.3)
Impairment of intangible assets and PPE	-	-	130.0	56.0	65.6
Change in environmental and decommissioning liability	7.2	-	0.6	8.2	-
Net (gain) loss on disposal and write-down of PPE	(2.0)	2.1	(0.4)	21.0	13.8
Loss on disposal of assets held for sale	-	0.5	7.1	-	-
Gain on disposal of assets	(24.3)	(17.4)	-	-	-
Unrealized foreign exchange (gain) loss	(11.1)	9.6	7.5	0.8	(10.8)
<b>Adjusted EBITDA</b>	<b>\$ 502.6</b>	<b>\$ 430.9</b>	<b>\$ 280.4</b>	<b>\$ 265.3</b>	<b>\$ 295.6</b>