



NEWS RELEASE

CHEMTRADE LOGISTICS INCOME FUND ANNOUNCES FOURTH QUARTER AND FULL YEAR 2024 FINANCIAL RESULTS

REITERATES 2025 GUIDANCE FOR ADJUSTED EBITDA OF BETWEEN \$430.0 MILLION AND \$460.0 MILLION

TORONTO, Ontario, February 28, 2025 – Chemtrade Logistics Income Fund (TSX: CHE.UN) (“Chemtrade” or the “Fund”) today announced results for the three- and twelve-month periods ended December 31, 2024. The financial statements and MD&A will be available on Chemtrade’s website at www.chemtradelogistics.com and on SEDAR+ at www.sedarplus.com.

Fourth Quarter 2024 Highlights

- Revenue of \$446.5 million, an increase of \$24.5 million or 5.8% year-over-year. Excluding \$5.7 million in the prior year period related to the P₂S₅ business sold in Q4 2023, revenue increased by \$30.2 million or 7.3% year-over-year.
- Adjusted EBITDA⁽¹⁾ of \$108.6 million, an increase of \$23.9 million or 28.3% year-over-year. Excluding \$1.8 million in the prior year period related to the P₂S₅ business sold in Q4 2023, Adjusted EBITDA increased by \$25.7 million or 31.1% year-over-year.
- Net earnings of \$10.3 million, a decrease of \$1.4 million year-over-year, primarily due to the gain on sale of the P₂S₅ business in Q4 2023 offset by higher Adjusted EBITDA.
- Cash flows from operating activities of \$100.0 million, an increase of \$1.4 million or 1.4% year-over-year.
- Distributable cash after maintenance capital expenditures⁽¹⁾ of \$39.5 million, an increase of \$26.0 million or 192.5% year-over-year.

Full Year 2024 Highlights

- Revenue of \$1,787.0 million, a decrease of \$59.7 million or 3.2% year-over-year. Excluding \$40.3 million in the prior year period related to the P₂S₅ business sold in Q4 2023 and a \$10.5 million negative impact from the biennial maintenance turnaround at the North Vancouver chlor-alkali facility in 2024, revenue was similar to 2023.
- Adjusted EBITDA⁽¹⁾ of \$470.8 million, the second highest annual Adjusted EBITDA in Chemtrade’s history. Excluding the negative impacts in 2024 from the biennial maintenance turnaround at the North Vancouver chlor-alkali facility (\$17.9 million), the work stoppage at the Canadian railways (\$5.8 million) and \$6.6 million in the prior year period related to the P₂S₅ business sold in Q4 2023, Adjusted EBITDA earned during 2024 was similar to the record level of Adjusted EBITDA generated during 2023.
- Net earnings of \$126.9 million, a decrease of \$122.4 million year-over-year, due to higher net finance costs, unrealized foreign exchange losses, lower Adjusted EBITDA and a gain on sale of the P₂S₅ business in 2023, partially offset by lower depreciation and amortization expenses.
- Cash flows from operating activities of \$347.8 million, a decrease of \$53.7 million or 13.4% year-over-year, primarily due to lower Adjusted EBITDA and changes in working capital, partially offset by lower income taxes paid.
- Distributable cash after maintenance capital expenditures⁽¹⁾ of \$213.1 million, a decrease of \$69.9 million or 24.7% year-over-year, reflecting lower cash flows from operating activities and higher lease payments.
- During 2024, Chemtrade returned \$131.1 million of capital to unitholders in the form of unit buybacks under its NCIB and monthly distributions. This represented 61.5% of Distributable cash after maintenance capital expenditures⁽¹⁾.

1) Adjusted EBITDA is a Total of Segments measure, Distributable cash after maintenance capital expenditures is a non-IFRS measure and Net debt to LTM Adjusted EBITDA and Payout ratio are Non-IFRS ratios. Please see Non-IFRS and Other Financial Measures for more information.

- Maintained a strong balance sheet throughout 2024, with a Net debt to LTM Adjusted EBITDA⁽¹⁾ ratio of 1.8x at 2024 year-end. Chemtrade took several actions during 2024 to optimize its capital structure, including completing a substantial issuer bid (SIB) for its Fund 2020 8.50% debentures and redeeming the remaining Fund 2020 8.50% debentures subsequent to the completion of the SIB. Chemtrade also issued Notes with an aggregate principal amount of \$250.0 million with a coupon of 6.375% and a due date of August 28, 2029.
- In January 2024, Chemtrade increased its monthly distribution rate by 10% to \$0.055 per unit or \$0.660 per unit per year. Chemtrade's Payout ratio⁽¹⁾ for 2024 was 37%. Subsequent to year-end, in January 2025, Chemtrade increased its monthly distribution rate by approximately 5% to \$0.0575 per unit or \$0.690 per unit per year.
- In June 2024, Chemtrade commenced a normal course issuer bid (NCIB), under which the Fund is authorized to purchase up to approximately 11.7 million of its units. As of December 31, 2024, approximately 5.1 million units were purchased as part of the NCIB.
- Chemtrade reaffirms its 2025 Adjusted EBITDA guidance of \$430.0 million to \$460.0 million. Achieving the midpoint of this range would mark the third-highest annual Adjusted EBITDA in Chemtrade's history.

Scott Rook, President and CEO of Chemtrade, commented on the fourth quarter and full year 2024 results, "2024 was another year of strong financial and operational performance for Chemtrade, delivering the second highest annual Adjusted EBITDA result in our history. We are particularly encouraged by the growth in our water products, where profitability has almost doubled over the last three years. Our ability to deliver strong performance, despite a dynamic operating environment, reflects the resilience of our business, the strength of our strategy, and the passion of our team. With consistent execution and our ongoing focus on operational excellence, we continued to generate strong cash flow, supporting our ability to invest in strategic growth, further strengthen our competitive position, and return capital to unitholders through our attractive distribution and the NCIB we instituted during the year."

"Looking ahead, we are well-positioned to build on this momentum. Our track-record of investing in high-return projects to drive organic growth has yielded strong results, as is evident in our water chemicals business. In terms of individual products, water chemicals was the largest contributor to our consolidated Adjusted EBITDA in 2024, and this business line's stability, paired with a long-term growth trend makes it core to our strategy moving forward. Our key growth areas of water chemicals and ultrapure acid continue to have strong outlooks, and we are acting on opportunities to expand our leadership in these product lines. Many of our other core product lines continue to provide us with a stable foundation and contribute to the resilience of our earnings. With respect to our North Vancouver chlor-alkali facility, we continue to have active lease negotiations with the Vancouver Fraser Port Authority. The next step for us is to go through the rezoning process with the District of North Vancouver, which is required in order for us to obtain approval to proceed with our planned safety improvements for the site. We look forward to sharing additional updates on this process as they become available."

"We enter 2025 on strong footing with a clear strategy to generate long-term unitholder value. The earnings power of our business has taken a notable step-change in recent years, and we remain diligently focused on leveraging all of the tools at our disposal to deliver strong total unitholder returns. With a sharp strategic focus, a strong balance sheet, and a dedicated team, we are confident in our ability to navigate an evolving market and deliver value for our unitholders well into the future."

Consolidated Financial Summary of Q4 2024

Revenue for the fourth quarter of 2024 was \$446.5 million, compared to \$422.0 million in the fourth quarter of 2023. Excluding \$5.7 million of revenue in the prior year period from the P₂S₅ business sold in the fourth quarter of 2023, consolidated revenue increased by \$30.2 million or 7.3% year-over-year. This increase was primarily due to: (i) higher volumes of water solutions products and higher selling prices for Regen and merchant acid in the Sulphur and Water Chemicals (SWC) segment; and (ii) higher selling prices for caustic soda, HCl, chlorine, and sodium chlorate in the Electrochemicals (EC) segment. These factors were partially offset by lower sales volumes of sodium chlorate, which more than offset the higher selling prices for sodium chlorate in the EC segment.

Adjusted EBITDA for the fourth quarter of 2024 was \$108.6 million, compared to \$84.6 million in the fourth quarter of 2023. Excluding \$1.8 million of Adjusted EBITDA in the prior year period related to the P₂S₅ business sold in the fourth quarter of 2023, Adjusted EBITDA increased by \$25.7 million or 31.1% year-over-year. This increase was primarily due to: (i) lower input costs resulting in improved margins for water solutions products, improved margins for sodium nitrite as 2023 experienced higher costs, and higher pricing for Regen and merchant acid in the SWC segment; and (ii) higher selling prices for caustic soda, HCl, chlorine, and sodium chlorate in the EC segment. Partial offsets to the above positive factors included: (i) lower sales volumes of sodium chlorate in the EC segment; and (ii) higher Corporate costs due mainly to realized foreign exchange losses.

Distributable cash after maintenance capital expenditures for the fourth quarter of 2024 was \$39.5 million or \$0.33 per unit, compared with \$13.5 million or \$0.12 per unit in the fourth quarter of 2024. This increase primarily reflects the same factors that impacted Adjusted EBITDA, as noted above, as well as lower maintenance capital expenditures, partially offset by higher lease payments. Chemtrade's Payout ratio⁽¹⁾ for the twelve months ended December 31, 2024 was 37%.

Chemtrade maintained a strong balance sheet through the fourth quarter of 2024. As of December 31, 2024, Chemtrade's Net debt was \$864.2 million and its Net debt to LTM Adjusted EBITDA ratio was 1.8x. As of the end of 2024, Chemtrade also maintained strong financial liquidity with US\$521.5 million undrawn on its credit facilities, in addition to \$25.5 million of cash on hand.

Segmented Financial Summary of Q4 2024

The SWC segment reported revenue of \$260.1 million for the fourth quarter of 2024, compared to \$243.8 million for the fourth quarter of 2023. Adjusted EBITDA in the SWC segment was \$62.5 million for the fourth quarter of 2024, compared to \$40.8 million for the fourth quarter of 2023. The P₂S₅ business that was sold in the fourth quarter of 2023 contributed \$5.7 million of SWC revenue and \$1.8 million of SWC Adjusted EBITDA in the fourth quarter of 2023.

Excluding the impact of the P₂S₅ business as noted above, SWC revenue in the fourth quarter of 2024 increased by \$22.0 million or 9.2% year-over-year. The increase in comparable SWC revenue was primarily due to: (i) higher volumes of water solutions products; and (ii) higher selling prices and volumes for merchant and Regen acid. Excluding the impact of the P₂S₅ business as noted above, SWC Adjusted EBITDA increased by \$23.5 million or 60.2% year-over-year. The increase in comparable SWC Adjusted EBITDA was primarily due to: (i) lower input costs resulting in an improvement in margins for water solutions products; (ii) an improvement in margins for sodium nitrite relative to 2023, as that period was affected by lower volumes due to an extended turnaround and disposal costs for a related by-product; and (iii) higher selling prices for Regen and merchant acid.

The EC segment reported revenue of \$186.4 million for the fourth quarter of 2024, compared to \$178.2 million for the fourth quarter of 2023. Adjusted EBITDA in the EC segment was \$83.5 million for the fourth quarter of 2024, compared to \$73.3 million for the fourth quarter of 2023.

EC revenue in the fourth quarter of 2024 increased by \$8.2 million or 4.6% year-over-year, primarily due to higher realized MECU netbacks of approximately \$230 year-over-year, with HCl and chlorine accounting for approximately 55% of the improvement. A partial offset to EC revenue growth was lower sales volumes of sodium chlorate, which more than offset higher selling prices for sodium chlorate. EC Adjusted EBITDA increased by \$10.2 million or 13.9% year-over-year. The factors that affected EC revenue also had an impact on EC's Adjusted EBITDA on a year-over-year basis.

Corporate costs for the fourth quarter of 2024 were \$37.3 million, compared with \$29.4 million in the fourth quarter of 2023. The increase in corporate costs was primarily due to the inclusion of \$7.4 million of realized foreign exchange losses in the fourth quarter of 2024 compared with \$0.2 million of realized foreign exchange gains in the fourth quarter of 2023. Excluding realized foreign exchange gains and losses, corporate costs were similar on a year-over-year basis, with lower legal and other costs partially offset by \$2.1 million of higher incentive compensation costs.

2025 Guidance

Chemtrade is reaffirming its 2025 guidance, as set out below and previously issued in January 2025. Chemtrade expects Adjusted EBITDA for 2025 to range between \$430.0 million and \$460.0 million. Based on the mid-point of guidance, including the anticipated spending on Growth capital expenditures, Chemtrade expects to end 2025 with a Net debt to LTM Adjusted EBITDA ratio⁽¹⁾ close to 2x with an implied Payout ratio⁽¹⁾ of approximately 48%.

Achieving the midpoint of this range would mark the third-highest annual Adjusted EBITDA in Chemtrade's history. This level of Adjusted EBITDA shows the significant step-change in Chemtrade's Adjusted EBITDA and cash flow generation compared to pre-pandemic levels, as it would be the fourth consecutive year at a higher level of earnings.

(\$ million)	2025 Guidance	Actual	
		2024	2023
Adjusted EBITDA ⁽¹⁾	\$430.0 - \$460.0	\$470.8	\$502.6
Maintenance capital expenditures ⁽¹⁾	\$100.0 - \$120.0	\$104.5	\$104.2
Growth capital expenditures ⁽¹⁾	\$40.0 - \$60.0	\$81.3	\$62.1
Lease payments	\$65.0 - \$75.0	\$65.4	\$58.3
Cash interest ⁽¹⁾	\$45.0 - \$55.0	\$45.7	\$42.4
Cash tax ⁽¹⁾	\$45.0 - \$55.0	\$42.1	\$14.7

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

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

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

The current US administration has stated its intention to levy a 25% tariff on Canadian products being exported to the US effective March 1, 2025. It is difficult to estimate the impact of potential tariffs. This guidance does not take into account the impact of potential tariffs.

Key Assumptions	2025 Assumptions	2024 Actual	2023 Actual
Approximate North American MECU sales volumes	180,000	172,000	181,000
2025 realized MECU netback being lower than 2024 (per MECU)	CAD (\$115)	N/A	N/A
Average CMA ⁽¹⁾ NE Asia caustic spot price index per tonne ⁽²⁾	US\$395	US\$385	US\$455
Approximate North American production volumes of sodium chlorate (MTs)	250,000	270,000	283,000
USD to CAD average foreign exchange rate	1.360	1.370	1.349
Long term incentive plan costs (in \$ millions)	\$15.0 - \$20.0	\$23.3	\$17.3

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

(2) The average CMA NE Asia caustic spot price for 2025, 2024 and 2023 is the average spot price of the four quarters ending with the third quarter of that year as the majority of our pricing is based on a one quarter lag.

Update on Organic Growth Projects

Chemtrade remains focused on its long-term objective of delivering sustained earnings growth and generating value for investors. To accomplish this, Chemtrade has identified various organic growth initiatives. In 2025, Chemtrade plans to invest between \$40.0 million and \$60.0 million in growth capital expenditures, which includes expansions of water treatment chemicals, upgrades to ultrapure sulphuric acid production, and other organic growth projects.

Construction of the Cairo, Ohio ultrapure acid project is now complete and the project is in the startup process. The commercial ramp up will begin to take place in 2025. This will be one of the first ultrapure sulphuric acid plants in North America that is expected to meet the quality requirements for next generation semiconductor nodes. This project will further bolster Chemtrade's position as a leading North American supplier of ultrapure sulphuric acid to the semiconductor industry.

Chemtrade also previously identified a second large ultrapure sulphuric acid growth project, undertaken via a joint venture with KPCT Advanced Chemicals LLC and located in Casa Grande, AZ. Together with its joint venture partner, Chemtrade made the decision to put the project on hold until it can be assured the project generates an acceptable level of return.

Distributions and Capital Allocation Update

Distributions declared in the fourth quarter of 2024 totalled \$0.165 per unit, comprised of monthly distributions of \$0.055 per unit, which reflects a 10% increase in the monthly distribution rate beginning with the distribution declared during the month of January 2024. This distribution was well-covered by Chemtrade's cash flow generation during 2024, with a Payout ratio in 2024 of 37%.

In January 2025, Chemtrade announced an additional increase to its monthly distribution by approximately 5% to 5.75 cents per month, effective with the distribution declared during the month of January 2025. This distribution represents a Payout ratio of 48% based on the mid-point of Chemtrade's guidance for 2025. The increase in the level of cash distributions is expected to have a minimal impact on Chemtrade's leverage and is not expected to impede Chemtrade's ability to execute growth initiatives while maintaining a healthy balance sheet.

Chemtrade's balance sheet has continued to improve in recent years, with a Net debt to LTM Adjusted EBITDA of 1.8x at December 31, 2024. Chemtrade's business has also strengthened as evidenced by the last three years representing the three highest years for Adjusted EBITDA in Chemtrade's history.

Chemtrade implemented an NCIB, under which Chemtrade is authorized to purchase up to 11.7 million units over a 12-month period ending June 2, 2025. As of December 31, 2024, approximately 5.1 million units were purchased as part of the NCIB, representing roughly 4% of its units outstanding. For the period from January 1, 2025 to February 26, 2025, an additional 2.7 million units were purchased by the Fund under the NCIB's automatic share purchase plan. Purchases of units are effected through the facilities of the TSX and/or alternative Canadian trading systems and are made by means of open market transactions, or such other means as may be permitted by the TSX, including block purchases of units, at prevailing market rates. The timing and amount of any purchases are subject to management's discretion.

During January 2025, Chemtrade issued an additional \$125.0 million aggregate principal amount of 6.375% Notes due August 28, 2029, resulting in an aggregate principal amount of \$375.0 million outstanding on these Notes. The Fund incurred transaction costs of \$2.5 million. The Fund will utilize the net proceeds of the issuance to reduce indebtedness and for general corporate purposes.

Chemtrade's management and Board of Trustees continue to assess opportunities to further adjust and optimize Chemtrade's capital structure and capital allocation. This could potentially include supplementing its organic growth initiatives with modest M&A, should Chemtrade identify an opportunity that fits strategically within its portfolio and has synergistic value. The acquisitions Chemtrade would target would primarily be those with annual Adjusted EBITDA in the \$10.0 - \$50.0 million range.

Rohit Bhardwaj, CFO of Chemtrade, commented on Chemtrade's capital allocation, "As we close out a successful 2024 and begin 2025, we remain committed to a disciplined and unitholder-friendly capital allocation strategy that balances capital returns to unitholders, strategic growth investments and financial prudence. During 2024, we returned \$131.1 million of capital to unitholders, representing 61.5% of our Distributable cash after maintenance capital expenditures. We remain focused on high-return opportunities that enhance our long-term earnings potential, while preserving financial flexibility. In line with this approach, we continue to invest in our key growth areas, including water chemicals and ultrapure acid, fully funded through internally generated cash flow and available credit. At the same time, we are committed to delivering sustainable returns to our unitholders through a balanced mix of distributions and unit purchases under our NCIB. We have also taken proactive steps over the past year to strengthen our balance sheet, reducing near-term debt obligations, optimizing our capital structure, enhancing liquidity and aggressively reducing potentially dilutive debt instruments. By extending debt maturities and securing more favourable financing, Chemtrade is well-positioned to navigate market conditions while maintaining the flexibility to pursue strategic, value generating opportunities. Looking ahead, we will continue to take a thoughtful approach to capital deployment, ensuring that we create long-term value for our unitholders while maintaining financial strength."

Statement on potential US tariffs

The current US administration has stated its intention to levy a 25% tariff on Canadian products being exported to the US effective March 1, 2025. The tariffs being contemplated are unprecedented and it is difficult to estimate the impact on the overall economy, Chemtrade's suppliers and customers.

There are three main products in the portfolio that are imported into the US from Canada – sodium chlorate, chlorine, and merchant sulphuric acid. If these products are subject to tariffs, Chemtrade will work diligently to mitigate their impact, including by passing these costs on to US customers. While Chemtrade is optimistic that it will be successful in passing a significant portion of the costs to customers, this situation is without precedence. Chemtrade's success would depend upon, among other things, the impact of tariffs on customers' businesses and industry dynamics in the US.

Chemtrade benefits from a weaker Canadian dollar relative to the US dollar, which could be a potentially mitigating factor. The current exchange rate of approximately US\$1 = C\$1.44 is weaker than the exchange rate assumed in Chemtrade's above noted 2025 guidance. Chemtrade discloses its sensitivity to exchange rates, as well as its foreign exchange hedge positions in its Management's Discussion and Analysis document.

About Chemtrade

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

NON-IFRS AND OTHER FINANCIAL MEASURES

Non-IFRS financial measures and non-IFRS ratios

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

These non-IFRS financial measures and non-IFRS ratios are not standardized financial measures under IFRS and, therefore, are unlikely to be comparable to similar financial measures presented by other entities. Management believes these non-IFRS financial measures and non-IFRS ratios provide transparent and useful supplemental information to help investors evaluate Chemtrade's financial performance, financial condition and liquidity using the same measures as management. These non-IFRS financial measures and non-IFRS ratios should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with IFRS.

The following section outlines Chemtrade's 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, Chemtrade's 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 Chemtrade's 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 Chemtrade's 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 Chemtrade's cash flows including Chemtrade's ability to pay distributions to Unitholders.

(\$'000, except per unit metrics and ratios)	Three months ended		Twelve months ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Cash flows from operating activities	\$99,991	\$98,607	\$347,799	\$401,463
Add (Less):				
Lease payments net of sub-lease receipts	(17,142)	(15,231)	(65,379)	(58,256)
Increase in working capital	(17,434)	(34,305)	25,549	16
Changes in other items ⁽¹⁾	10,156	8,075	9,627	44,038
Maintenance capital expenditures ⁽²⁾	(36,055)	(43,635)	(104,474)	(104,249)
Distributable cash after maintenance capital expenditures	\$39,516	\$13,511	\$213,122	\$283,012
Divided by:				
Weighted average number of units outstanding	120,590,348	116,811,269	118,424,190	116,212,199
Distributable cash after maintenance capital expenditures per unit	\$0.33	\$0.12	\$1.80	\$2.44
Distributions declared per unit	\$0.165	\$0.150	\$0.660	\$0.600
Payout ratio (%)	50%	125%	37%	25%

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

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

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 is it useful to investors: It provides useful information related to Chemtrade's aggregate debt balances.

(\$'000)	As of December 31, 2024	As of December 31, 2023
Long-term debt ⁽¹⁾	\$343,295	\$246,545
Add (Less):		
Debentures ⁽¹⁾	340,000	425,552
Long-term lease liabilities	148,268	130,583
Lease liabilities ⁽²⁾	58,145	49,304
Cash and cash equivalents	(25,497)	(21,524)
Net debt	\$864,211	\$830,460

(1) Principal amount outstanding.

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

Growth capital expenditures

Most directly comparable IFRS financial measure: Capital expenditures

Definition: Growth capital expenditures are calculated as capital expenditures less Maintenance capital expenditures, plus investments in joint ventures.

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

(\$'000)	<u>Three months ended</u>		<u>Twelve months ended</u>	
	<u>December</u>	<u>December</u>	<u>December</u>	<u>December</u>
	<u>31, 2024</u>	<u>31, 2023</u>	<u>31, 2024</u>	<u>31, 2023</u>
Capital expenditures`	\$60,718	\$67,398	\$185,803	\$166,395
Add (Less):				
Maintenance capital expenditures	(36,055)	(43,635)	(104,474)	(104,249)
Non-maintenance capital expenditures ⁽¹⁾	24,663	23,763	81,329	62,146
Growth capital expenditures	\$24,663	\$23,763	\$81,329	\$62,146

(1) Non-maintenance capital expenditures is a Supplementary financial measure.

Total of segments measures

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

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

Adjusted EBITDA

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

(\$'000, except per unit metrics and ratios)	Three months ended		Twelve months ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net earnings	\$10,274	\$11,677	\$126,908	\$249,319
Add (less):				
Depreciation and amortization	49,929	57,423	188,545	217,490
Net finance costs	11,501	33,716	72,560	24,008
Income tax expense	7,250	10,121	43,922	42,053
Impairment of joint venture	3,834	-	3,834	-
Change in environmental and decommissioning liability	(1,116)	9,842	(930)	7,232
Net loss (gain) on disposal and write-down of PPE	5,488	(5,547)	8,502	(2,002)
(Gain) loss on disposal of assets	-	(24,337)	-	(24,337)
Unrealized foreign exchange loss (gain)	21,433	(8,247)	27,451	(11,126)
Adjusted EBITDA	\$108,593	\$84,648	\$470,792	\$502,637

Capital management measures

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

Net debt to LTM Adjusted EBITDA

Definition: Net debt to LTM Adjusted EBITDA is calculated as Net debt divided by LTM Adjusted EBITDA. LTM Adjusted EBITDA represents the last twelve months' Adjusted EBITDA

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

Supplementary financial measures

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

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

Maintenance capital expenditures

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

Non-maintenance capital expenditures

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

Cash interest

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

Cash tax

Represents current income tax expense.

Caution Regarding Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking statements within the meaning of certain securities laws, including the Securities Act (Ontario). Forward-looking statements can be generally identified by the use of words such as "anticipate", "continue", "estimate", "expect", "expected", "intend", "may", "will", "project", "plan", "should", "believe" and similar expressions. Specifically, forward-looking statements in this news release include statements respecting certain future expectations about: our 2025 Adjusted EBITDA to be in the range of \$430 million to \$460 million, be the third highest level in Chemtrade's history and the fourth consecutive year at a higher level of earnings; our belief that we are well-positioned to build on 2024's momentum; our belief in the strong outlooks for water chemicals and ultrapure acid; our intention to go through the District of North Vancouver rezoning process and our ability to obtain approval for and complete planned safety improvements for our North Vancouver site; our intention to share updates; our ability to deliver strong total unitholder returns; our ability to navigate an evolving market and deliver unitholder value well into the future; our expectation to end 2025 with the stated Net debt to LTM Adjusted EBITDA ratio and stated implied Payout ratio; the expected stated range of maintenance capital expenditures and growth capital expenditures, lease payments, cash interest and cash tax; our intention to invest between \$40.0 million and \$60.0 million in growth capital expenditures in 2024 and its allocation among water treatment chemicals expansions, ultrapure sulphuric acid production upgrades, and other organic growth projects; the expected timing of commercial ramp-up of the Cairo project; our ability to be one of the first North American UPA plants to meet the quality requirements of the next generation semiconductor nodes; our ability to retain our position as the top North American supplier to the semiconductor industry; the ability of our KPCT joint venture Arizona planned project to generate an acceptable level of return and the timing thereof; our expectation that the cash distribution level will have a minimal impact on leverage and not impede our ability to execute growth initiatives while maintaining a healthy balance sheet; our intended use of the net proceeds of the private offering of Notes; our intention to adjust and optimize Chemtrade's capital structure and capital allocation by M&A; and Chemtrade's ability to find and execute on M&A projects that fit strategically in our portfolio, that have synergistic value and that fit within the stated targeted amount of Adjusted EBITDA; during 2025, our commitment to the stated capital allocation strategy, investment strategy and capital deployment strategies; our ability to be able to mitigate the impact of proposed tariffs; our ability to pass the costs of tariffs through to customers; and our expectation that the weaker Canadian dollar may mitigate the impact of tariffs.

Forward-looking statements in this news release describe the expectations of the Fund and its subsidiaries as of the date hereof. These statements are based on assumptions and involve known and unknown risks,

uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements for a variety of reasons, including without limitation the risks and uncertainties detailed under the “RISK FACTORS” section of the Fund’s latest Annual Information Form and the “RISKS AND UNCERTAINTIES” section of the Fund’s most recent Management’s Discussion & Analysis.

Although the Fund believes the expectations reflected in these forward-looking statements and the assumptions upon which they are based are reasonable, no assurance can be given that actual results will be consistent with such forward-looking statements, and they should not be unduly relied upon. With respect to the forward-looking statements contained in this news release, the Fund has made assumptions regarding: there being no significant unplanned downtime nor labour disruptions affecting Chemtrade’s principal manufacturing facilities; the stated North American MECU sales volumes and sodium chlorate production volumes; the 2025 MECU netback being lower than 2024 by the stated amount; the stated average CMA NE Asia caustic spot price index; the stated U.S. dollar average foreign exchange rate; the stated range of LTIP costs; and the impact of tariffs on customers’ businesses and U.S. industry dynamics.

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

Further information can be found in the disclosure documents filed by Chemtrade Logistics Income Fund with the securities regulatory authorities, available at www.sedarplus.com.

A conference call to review the fourth quarter and full year 2024 results will be webcast live on Friday, February 28, 2025 at 10:00 a.m. ET. To access the webcast [click here](#).

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