UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ______ to ______

Commission file number 001-12019

QUAKER CHEMICAL CORPORATION

(Exact name of registrant as specified in its charter)

Pennsylvania	**23-0993790**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
901 E. Hector Street, **Conshohocken, Pennsylvania**	**19428 – 2380**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: 610-832-4000

Not Applicable

Former name, former address and former fiscal year, if changed since last report.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $1 par value	KWR	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Number of Shares of Common Stock Outstanding on October 27, 2025	**17,340,035**

Quaker Chemical Corporation
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PART I

FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited).

Quaker Chemical Corporation
Condensed Consolidated Statements of Operations
(Unaudited; Dollars in thousands, except per share data)

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Net sales	$ 493,842	$ 462,274	$ 1,420,156	$ 1,395,600
Cost of goods sold (excluding amortization expense - See Note 13)	312,977	289,725	906,308	865,770
Gross profit	180,865	172,549	513,848	529,830
Selling, general and administrative expenses	126,479	118,221	372,125	359,350
Impairment charges	—	—	88,840	—
Restructuring and related charges, net	7,745	2,610	31,128	4,787
Operating income	46,641	51,718	21,755	165,693
Other (expense) income, net	(270)	783	(1,632)	2,285
Interest expense	(10,941)	(10,347)	(33,265)	(31,925)
Income (loss) before taxes and equity in net income of associated companies	35,430	42,154	(13,142)	136,053
Taxes on income before equity in net income of associated companies	9,266	12,167	22,280	40,453
Income (loss) before equity in net income of associated companies	26,164	29,987	(35,422)	95,600
Equity in net income of associated companies	4,322	2,385	12,262	6,940
Net income (loss)	30,486	32,372	(23,160)	102,540
Less: Net income attributable to noncontrolling interest	17	26	29	82
Net income (loss) attributable to Quaker Chemical Corporation	$ 30,469	$ 32,346	$ (23,189)	$ 102,458
Per share data:				
Net income (loss) attributable to Quaker Chemical Corporation common shareholders – basic	$ 1.75	$ 1.81	$ (1.32)	$ 5.71
Net income (loss) attributable to Quaker Chemical Corporation common shareholders – diluted	$ 1.75	$ 1.81	$ (1.32)	$ 5.70
Dividends declared	$ 0.508	$ 0.485	$ 1.478	$ 1.395

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Quaker Chemical Corporation
Condensed Consolidated Statements of Comprehensive Income
(Unaudited; Dollars in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income (loss)	$ 30,486	$ 32,372	$ (23,160)	$ 102,540
Other comprehensive (loss) income, net of tax				
Currency translation adjustments	(400)	41,529	88,741	(2,700)
Defined benefit retirement plans	222	(522)	(1,147)	(43)
Current period change in fair value of derivatives	(332)	(4,024)	(1,024)	(1,694)
Unrealized gain (loss) on available-for-sale securities	362	325	(149)	326
Other comprehensive (loss) income	(148)	37,308	86,421	(4,111)
Comprehensive income	30,338	69,680	63,261	98,429
Less: Comprehensive income attributable to noncontrolling interest	(21)	(20)	(164)	(4)
Comprehensive income attributable to Quaker Chemical Corporation	$ 30,317	$ 69,660	$ 63,097	$ 98,425

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Quaker Chemical Corporation
Condensed Consolidated Balance Sheets
(Unaudited; Dollars in thousands, except par value)

	September 30, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 172,038	$ 188,880
Accounts receivable, net	436,216	400,126
Inventories		
Raw materials and supplies	124,225	112,457
Work-in-process and finished goods	144,383	115,015
Prepaid expenses and other current assets	69,123	59,939
Total current assets	945,985	876,417
Property, plant and equipment, at cost	579,429	483,033
Less: Accumulated depreciation	(283,645)	(253,501)
Property, plant and equipment, net	295,784	229,532
Right-of-use lease assets	38,454	34,120
Goodwill	501,767	518,894
Other intangible assets, net	890,645	827,098
Investments in associated companies	106,783	98,012
Deferred tax assets	10,050	9,216
Other non-current assets	27,329	17,360
Total assets	$ 2,816,797	$ 2,610,649
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings and current portion of long-term debt	$ 35,949	$ 37,554
Accounts payable	205,541	198,137
Dividends payable	8,825	8,572
Accrued compensation	42,095	50,212
Accrued restructuring	4,800	2,297
Accrued pension and postretirement benefits	2,259	2,328
Other accrued liabilities	83,930	80,668
Total current liabilities	383,399	379,768
Long-term debt	838,522	669,614
Long-term lease liabilities	22,637	20,028
Deferred tax liabilities	150,726	138,828
Non-current accrued pension and postretirement benefits	23,769	23,783
Other non-current liabilities	30,861	24,445
Total liabilities	1,449,914	1,256,466
Commitments and contingencies (Note 18)		
Equity		
Common stock $1 par value; authorized 30,000,000 shares; issued and outstanding September 30, 2025 – 17,367,942 shares; December 31, 2024 – 17,673,607 shares	17,368	17,674
Capital in excess of par value	876,911	903,781
Retained earnings	584,706	633,731
Accumulated other comprehensive loss	(115,333)	(201,619)
Total Quaker shareholders' equity	1,363,652	1,353,567
Noncontrolling interest	3,231	616
Total equity	1,366,883	1,354,183
Total liabilities and equity	$ 2,816,797	$ 2,610,649

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Quaker Chemical Corporation
Condensed Consolidated Statements of Cash Flows
(Unaudited; Dollars in thousands)

	Nine Months Ended September 30,	
	2025	**2024**
Cash flows from operating activities		
Net (loss) income	$ (23,160)	$ 102,540
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	68,471	63,159
Equity in undistributed earnings of associated companies, net of dividends	(4,366)	1,045
Deferred income taxes	(16,503)	(7,934)
Share-based compensation	10,419	12,413
Impairment charges	88,840	—
Restructuring and related charges, net	31,128	4,787
Inventory step-up amortization	6,022	—
Gain on disposal of property, plant and equipment and other assets	(2,051)	—
Other adjustments	(5,082)	(4,325)
Increase (decrease) in cash from changes in current assets and current liabilities, net of acquisitions:		
Accounts receivable	4,585	20,625
Inventories	(16,473)	(10,875)
Prepaid expenses and other current assets	(4,258)	(7,912)
Accrued restructuring	(21,671)	(6,397)
Accounts payable and accrued liabilities	(25,992)	(25,612)
Net cash provided by operating activities	89,909	141,514
Cash flows from investing activities		
Investments in property, plant and equipment	(33,630)	(19,337)
Payments related to acquisitions, net of cash acquired	(164,209)	(39,302)
Proceeds from disposition of assets	2,992	2,798
Other investing activities	1,828	—
Net cash used in investing activities	(193,019)	(55,841)
Cash flows from financing activities		
Payments of long-term debt	(25,967)	(48,600)
Borrowings on revolving credit facilities, net	168,938	30,500
Payments on other debt, net	(525)	(842)
Dividends paid	(25,583)	(24,523)
Shares purchased under share repurchase programs	(36,496)	(22,906)
Other stock related activity	(1,099)	(631)
Net cash provided by (used in) financing activities	79,268	(67,002)
Effect of foreign exchange rate changes on cash	7,000	(1,124)
Net (decrease) increase in cash and cash equivalents	(16,842)	17,547
Cash and cash equivalents at the beginning of the period	188,880	194,527
Cash and cash equivalents at the end of the period	$ 172,038	$ 212,074
Supplemental cash flow disclosures:		
Non-cash activities:		
Change in accrued purchases of property, plant and equipment, net	$ (2,983)	$ 2,620

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Quaker Chemical Corporation
Condensed Consolidated Statements of Changes in Equity
(Unaudited; Dollars in thousands, except per share amounts)

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total
Balance as of December 31, 2023	$ 17,992	$ 940,101	$ 550,641	$ (124,415)	$ 603	$ 1,384,922
Net income	—	—	35,227	—	31	35,258
Amounts reported in other comprehensive loss	—	—	—	(22,572)	(73)	(22,645)
Dividends ($0.455 per share)	—	—	(8,186)	—	—	(8,186)
Share issuance and equity-based compensation plans, net	(2)	2,445	—	—	—	2,443
Balance as of March 31, 2024	$ 17,990	$ 942,546	$ 577,682	$ (146,987)	$ 561	$ 1,391,792
Net income	—	—	34,885	—	25	34,910
Amounts reported in other comprehensive loss	—	—	—	(18,775)	1	(18,774)
Dividends ($0.455 per share)	—	—	(8,163)	—	—	(8,163)
Shares purchased under share repurchase program, net of excise taxes	(49)	(8,306)	—	—	—	(8,355)
Share issuance and equity-based compensation plans, net	—	4,196	—	—	—	4,196
Balance as of June 30, 2024	$ 17,941	$ 938,436	$ 604,404	$ (165,762)	$ 587	$ 1,395,606
Net income	—	—	32,346	—	26	32,372
Amounts reported in other comprehensive income	—	—	—	37,314	(6)	37,308
Dividends ($0.485 per share)	—	—	(8,647)	—	—	(8,647)
Shares purchased under share repurchase program, net of excise taxes	(89)	(14,624)	—	—	—	(14,713)
Share issuance and equity-based compensation plans	—	4,344	—	—	—	4,344
Balance as of September 30, 2024	$ 17,852	$ 928,156	$ 628,103	$ (128,448)	$ 607	$ 1,446,270

Quaker Chemical Corporation
Condensed Consolidated Statements of Changes in Equity
(Unaudited; Dollars in thousands, except per share amounts)

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total
Balance as of December 31, 2024	$ 17,674	$ 903,781	$ 633,731	$ (201,619)	$ 616	$ 1,354,183
Net income (loss)	—	—	12,922	—	(5)	12,917
Amounts reported in other comprehensive income	—	—	—	25,964	4	25,968
Dividends ($0.485 per share)	—	—	(8,574)	—	—	(8,574)
Shares purchased under share repurchase program, net of excise taxes	—	—	—	—	—	—
Share issuance and equity-based compensation plans, net	6	2,000	—	—	—	2,006
Balance as of March 31, 2025	$ 17,680	$ 905,781	$ 638,079	$ (175,655)	$ 615	$ 1,386,500
Net (loss) income	—	—	(66,580)	—	17	(66,563)
Amounts reported in other comprehensive income	—	—	—	60,474	127	60,601
Noncontrolling interest from acquisition	—	—	—	—	2,451	2,451
Dividends ($0.485 per share)	—	—	(8,436)	—	—	(8,436)
Shares purchased under share repurchase program, net of excise taxes	(296)	(32,686)	—	—	—	(32,982)
Share issuance and equity-based compensation plans, net	10	3,874	—	—	—	3,884
Balance as of June 30, 2025	$ 17,394	$ 876,969	$ 563,063	$ (115,181)	$ 3,210	$ 1,345,455
Net income	—	—	30,469	—	17	30,486
Amounts reported in other comprehensive (loss) income	—	—	—	(152)	4	(148)
Dividends ($0.508 per share)	—	—	(8,826)	—	—	(8,826)
Shares purchased under share repurchase program, net of excise taxes	(30)	(3,806)	—	—	—	(3,836)
Share issuance and equity-based compensation plans, net	4	3,748	—	—	—	3,752
Balance as of September 30, 2025	$ 17,368	$ 876,911	$ 584,706	$ (115,333)	$ 3,231	$ 1,366,883

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Quaker Chemical Corporation
Notes to Condensed Consolidated Financial Statements
(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

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Note 1 – Basis of Presentation and Description of Business

As used in these Notes to Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q for the period ended September 30, 2025 (the "Report"), the terms "Quaker Houghton," the "Company," "we," and "our" refer to Quaker Chemical Corporation (doing business as Quaker Houghton), its subsidiaries, and associated companies, unless the context otherwise requires.

Basis of Presentation

The condensed consolidated financial statements included herein are unaudited and have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") for interim financial reporting and the United States Securities and Exchange Commission ("SEC") regulations. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, the financial statements reflect all adjustments, which are of a normal recurring nature, necessary for a fair statement of the financial position, results of operations, and cash flows for the interim periods. The results for the nine months ended September 30, 2025 are not necessarily indicative of the results to be expected for the full year. These financial statements should be read in conjunction with the Company's Annual Report filed on Form 10-K for the year ended December 31, 2024 (the "2024 Form 10-K"). Certain prior year amounts have been reclassified to conform to the current year presentation.

Description of Business

The Company was organized in 1918 and incorporated as a Pennsylvania business corporation in 1930. Quaker Houghton is the global leader in industrial process fluids. With a presence around the world, including operations in over 25 countries, the Company's customers include thousands of the world's most advanced and specialized steel, aluminum, automotive, aerospace, offshore, container, mining, and metalworking companies. Quaker Houghton develops, produces, and markets a broad range of formulated chemical specialty products and offers chemical management services, which the Company refers to as Fluidcare™, for various heavy industrial and manufacturing applications sold in its three reportable segments: (i) Americas; (ii) Europe, Middle East and Africa ("EMEA"); and (iii) Asia/Pacific.

Hyper-inflationary economies

Argentina's and Türkiye's economies were considered hyper-inflationary under U.S. GAAP effective July 1, 2018 and April 1, 2022, respectively. As of and for the three and nine months ended September 30, 2025, the Company's Argentine and Turkish subsidiaries together represented approximately 1% and 2% of the Company's consolidated total assets and net sales, respectively. During the three and nine months ended September 30, 2025, the Company recorded $0.9 million and $2.1 million of remeasurement losses associated with the applicable currency conversions, respectively. Comparatively, during the three and nine months ended September 30, 2024, the Company recorded $0.6 million and $0.3 million of remeasurement losses associated with the applicable currency conversions, respectively. These losses were recorded within Other (expense) income, net, in the Company's Condensed Consolidated Statements of Operations.

Note 2 – Business Acquisitions

Dipsol

In April 2025, the Company acquired Dipsol Chemicals Co., Ltd. and its subsidiaries, ("Dipsol") for approximately $185.6 million (27.7 billion JPY), which included approximately $30.1 million (4.5 billion JPY) of acquired cash for a net purchase price of approximately $155.5 million (23.2 billion JPY). In July 2025, the Company satisfied all routine and customary post-closing conditions and finalized the purchase price with no adjustments. The Company funded the acquisition purchase price with borrowings under its existing credit facility. In connection with the acquisition of Dipsol, the Company entered into foreign currency forward contracts, which resulted in a $187.0 million cash payment and a $1.4 million foreign currency loss recognized during the nine months ended September 30, 2025. Dipsol is headquartered in Japan and is a leading supplier of surface treatment and plating solutions and services primarily for the automotive and other industrial applications end markets. Dipsol has operations in several countries and these operations are reported within the Company's respective Americas, EMEA, and Asia/Pacific segments. This acquisition expands the Company's advanced solutions businesses in attractive end markets with solid growth characteristics and high barriers to entry. Dipsol also provides significant cross-selling opportunities and enhances the Company's ability to meet the needs of our customers across the globe.

The following table presents the preliminary estimated fair values of Dipsol assets acquired and liabilities assumed as of the acquisition date:

Dipsol Assets Acquired and Liabilities Assumed *Dollars in thousands*		**Estimated Fair Value** [1]
Fair value of assets acquired		
Cash and cash equivalents	$	30,084
Accounts receivable, net		16,481
Inventories		17,962
Prepaid expenses and other current assets		1,231
Property, plant and equipment, net		39,450
Right-of-use lease assets		2,534
Other intangible assets, net		55,000
Investments in associated companies		5,096
Other non-current assets		4,687
Total Assets Acquired	$	172,526
Fair value of liabilities assumed		
Accounts payable	$	6,763
Accrued compensation		1,528
Other accrued liabilities		1,869
Long-term lease liabilities		1,446
Deferred income tax liabilities		25,898
Total Liabilities Assumed	$	37,504
Noncontrolling interest		(2,451)
Goodwill		53,042
Total Consideration	$	185,613

1. The Company recorded approximately $0.2 million of measurement period adjustments in the third quarter of 2025 to reflect changes in net working capital. All measurement period adjustments were offset against goodwill.

As of September 30, 2025, the allocation of the purchase price has not been finalized and the one-year measurement period has not ended. Further adjustments may be necessary as a result of the Company's ongoing assessment of additional information related to the fair value of assets acquired and liabilities assumed.

The Company allocated $55.0 million of the purchase price to intangible assets across the Americas, EMEA, and Asia/Pacific segments. Customer relationships, product technologies, and trademarks will be amortized over 14 years, 8 years, and 13 years, respectively. The following table presents the intangible assets recognized for each reportable segment:

		Americas		**EMEA**		**Asia/Pacific**		**Total**
Customer Relationships	$	3,500	$	200	$	26,300	$	30,000
Product Technologies		—		—		18,000		18,000
Trademarks		—		—		7,000		7,000
Total Intangibles	$	3,500	$	200	$	51,300	$	55,000

The Company recognized $53.0 million of goodwill, which is comprised of $47.3 million in the Asia/Pacific segment, $5.3 million in the Americas segment, and $0.4 million in the EMEA segment. The goodwill is not deductible for tax purposes. The goodwill is primarily attributable to expected synergies.

Total sales included in the Condensed Consolidated Statement of Operations for the three and nine months ended September 30, 2025 are $20.6 million and $41.5 million, respectively.

Natech

In April 2025, the Company acquired Natech, Ltd., ("Natech") for approximately $6.5 million, which includes an initial cash payment of $6.0 million and a deferred payment of $0.5 million, subject to routine and customary post-closing adjustments, including an adjustment for working capital. Assets acquired included cash and cash equivalents of $1.5 million. Natech is based in the United Kingdom and is a manufacturer of surface treatment chemicals for a variety of industrial applications. Natech is reported as part of the EMEA reportable segment. This acquisition strengthens Quaker Houghton's overall surface treatment product and application capabilities within Europe. The Company allocated $2.1 million of the purchase price to intangible assets and recognized $2.6 million of goodwill in the EMEA segment, none of which is deductible for tax purposes. The goodwill is primarily attributable to expected growth synergies. During the third quarter of 2025, the Company settled the working capital adjustment for an immaterial amount. As of September 30, 2025, the allocation of the purchase price has not been finalized.

CSI

In February 2025, the Company acquired Chemical Solutions & Innovations (Pty) Ltd. ("CSI"), for approximately $3.9 million, subject to routine and customary post-closing adjustments, including an adjustment for working capital. CSI is based in South Africa and is a supplier of metalworking fluids and lubricants to the South African market. CSI is reported as part of the EMEA reportable segment. This acquisition strengthens Quaker Houghton's position in South Africa and expands the Company's presence in that region. The Company allocated $1.4 million of the purchase price to intangible assets and recognized $1.7 million of goodwill in the EMEA segment, none of which is deductible for tax purposes. The goodwill is primarily attributable to expected growth synergies. During the third quarter of 2025, the Company settled the working capital adjustment for an immaterial amount. As of September 30, 2025, the allocation of the purchase price has not been finalized.

Previous Acquisitions

In July 2024, the Company acquired the Sutai Group ("Sutai"), for approximately $16.2 million, including an initial cash payment of $14.6 million, subject to routine and customary post-closing adjustments related to working capital and net indebtedness levels, as well as earn-out provisions with an initial estimated payout of $1.6 million related to the finalization of 2024 and 2025 earnings. Assets acquired included cash and cash equivalents of $5.5 million. The Company recorded incremental income of $0.8 million during the three and nine months ended September 30, 2025 relating to adjustments to earnout provisions in Other (expense) income, net on the Condensed Consolidated Statements of Operations. As of September 30, 2025, the Company does not have any remaining earnout liabilities recorded on its Condensed Consolidated Balance Sheets. Sutai is based in Japan and provides impregnation treatment products and services to the automotive and other industries. Sutai is reported as part of the Asia/Pacific segment. This acquisition strengthens Quaker Houghton's technology portfolio, enabling the Company to better support and optimize production processes for customers across the Japanese, Asia Pacific and global markets. The Company allocated $3.1 million of the purchase price to intangible assets and recognized $5.5 million of goodwill in the Asia/Pacific segment, none of which is deductible for tax purposes. During the first quarter of 2025, the Company settled the working capital adjustment for an immaterial amount which impacted the residual goodwill recorded. The goodwill is primarily attributable to expected growth synergies. As of September 30, 2025, the allocation of the purchase price has been finalized.

During February 2024, the Company acquired I.K.V. Tribologie IKVT and its subsidiaries ("IKV") for $35.2 million, including an initial cash payment of $29.7 million, subject to routine and customary post-closing adjustments related to working capital and net indebtedness levels as well as earn-out provisions related to the finalization of 2023 earnings. Assets acquired included approximately $4.8 million of cash and cash equivalents. IKV, which is part of the Company's EMEA segment, specializes in high-performance lubricants and greases, including original equipment manufacturer first-fill greases that are primarily used in the automotive, aerospace, electronics, and other industrial markets. The acquisition of IKV strengthens the Company's position in first-fill greases. The Company allocated $15.0 million of the purchase price to intangible assets, comprised of approximately $11.1 million of customer relationships to be amortized over 16 years; $3.2 million of product technologies to be amortized over 14 years; and $0.7 million of trademarks to be amortized over 5 years. In addition, the Company recognized $16.4 million of goodwill in the EMEA segment, none of which is deductible for tax purposes. The goodwill is primarily attributable to expected cost and growth synergies. In July 2024, the 2023 earnings were finalized, and the Company made a payment of $5.5 million in connection with the post-closing adjustments and earn-out provision. As of September 30, 2025, the allocation of the purchase price has been finalized.

The results of operations of Dipsol, Natech, CSI, Sutai and IKV subsequent to the acquisition dates are included in the unaudited Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2025.

During the three and nine months ended September 30, 2025, the Company recognized $0.6 million and $4.8 million, respectively, of acquisition-related expenses including legal, financial, consulting and other costs, compared to $0.4 million and $0.9 million, respectively, during the three and nine months ended September 30, 2024. These costs are included in Selling, general and administrative expenses ("SG&A") in the Condensed Consolidated Statements of Operations.

Note 3 – Recently Issued Accounting Standards

Recently Adopted Accounting Standards

The Company has adopted Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* beginning with the 2024 Form 10-K and the Form 10-Q for the period ended March 31, 2025. This ASU expands reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses, defined as those expenses that are regularly provided to the Chief Operating Decision Maker ("CODM") and included in the reported measure of segment profit or loss. The Company disclosed that the CODM assesses segment performance and makes decisions about allocating resources to its operating segments using segment operating earnings. Based on the Company's assessment, the Company determined that product costs are significant segment expenses that are regularly provided to the CODM and included in segment operating earnings. The Company disclosed product costs and other operating expenses included in segment operating earnings by reportable segment. See Note 4, *Business Segments*, for additional information.

Recently Issued Accounting Standards Not Yet Adopted

The FASB issued ASU 2023-09, *Income Taxes (Topic 740)*: *Improvements to Income Tax Disclosures* in December 2023. This ASU requires public business entities ("PBEs") to disclose additional information in specified categories with respect to the reconciliation of the effective tax rate to the statutory rate (the "rate reconciliation") for federal, state, and foreign income taxes, requiring greater detail about individual reconciling items in the rate reconciliation to the extent the impact of those items exceeds a specified threshold. The ASU also requires PBEs to disclose income taxes paid disaggregated by federal, state, and foreign taxes. Further disaggregation is also required in jurisdictions where income taxes paid exceeds a certain threshold. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. The Company will adopt ASU 2023-09 beginning with the Form 10-K for the year ended December 31, 2025 using a retrospective transition approach.

The FASB issued ASU 2024-03, *Income Statement- Reporting Comprehensive Income- Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* in November 2024. This ASU requires PBEs to disclose, in interim and annual reporting periods, additional information about certain expenses in the notes to the financial statements, including disclosing the amounts of purchases of inventory, employee compensation, depreciation, and intangible asset amortization in each relevant expense caption. It also requires PBEs to disclose a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively and to disclose the total amount of selling expenses, and in the annual reporting periods, an entity's definition of selling expenses. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the disclosure requirements of this standard and the impact on its condensed consolidated financial statements.

The FASB issued ASU 2025-06, *Intangibles- Goodwill and Other- Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* in September 2025. This ASU removes all references to prescriptive and sequential software development stages and will now require PBEs to start capitalizing software costs when management has authorized and committed to funding the software project and it is probable that the project will be completed and the software will be used to perform the function intended. The ASU also specifies that the disclosures in Subtopic 360-10, Property, Plant, and Equipment- Overall are required for all capitalized internal-use software costs. ASU 2025-06 is effective for fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the disclosure requirements of this standard and the impact on its condensed consolidated financial statements.

Note 4 – Business Segments

The Company's operating segments, which are consistent with its reportable segments, reflect the structure of the Company's internal organization and the manner by which the CODM, which is the Company's Chief Executive Officer, allocates resources and assesses performance.

The CODM evaluates performance for the Company's operating segments based on segment operating earnings. Segment operating earnings for each of the Company's reportable segments are comprised of the segment's net sales less directly related product costs and other operating expenses. Operating expenses not directly attributable to the net sales of each respective segment, such as certain corporate and administrative costs and restructuring charges, are not included in segment operating earnings. Other items not specifically identified with the Company's reportable segments include Interest expense and Other (expense) income, net.

The CODM uses segment operating earnings to allocate resources for each segment predominantly in the annual budget and forecasting process. The CODM considers budget-to-actual variances on a monthly basis for segment operating earnings when making decisions about allocating capital and personnel to the segments. The CODM also uses segment operating earnings to assess the performance for each segment and in the compensation of certain employees.

Quaker Chemical Corporation
Notes to Condensed Consolidated Financial Statements - Continued
(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

Segment asset information is not regularly provided to or reviewed by the CODM. Therefore, the Company does not disclose segment asset information for each reportable segment.

The following table presents information about the performance of the Company's reportable segments for the three and nine months ended September 30, 2025 and 2024:

	Americas	EMEA	Asia/Pacific	Totals
Three Months Ended September 30, 2025				
Net sales	$ 222,787	$ 143,900	$ 127,155	$ 493,842
Significant segment expenses				
Product costs (1) (4) (5)	111,097	77,544	65,646	254,287
Other operating expenses (2)	52,777	39,877	25,940	118,594
Segment operating earnings	$ 58,913	$ 26,479	$ 35,569	$ 120,961
Nine Months Ended September 30, 2025				
Net sales	$ 657,560	$ 413,101	$ 349,495	$ 1,420,156
Significant segment expenses				
Product costs (1) (3) (4) (5)	325,102	222,385	186,475	733,962
Other operating expenses (2)	156,107	115,849	72,806	344,762
Segment operating earnings	$ 176,351	$ 74,867	$ 90,214	$ 341,432

	Americas	EMEA	Asia/Pacific	Totals
Three Months Ended September 30, 2024				
Net sales	$ 220,275	$ 134,135	$ 107,864	$ 462,274
Significant segment expenses				
Product costs (1)	105,264	72,173	55,981	233,418
Other operating expenses (2)	52,890	37,318	21,227	111,435
Segment operating earnings	$ 62,121	$ 24,644	$ 30,656	$ 117,421
Nine Months Ended September 30, 2024				
Net sales	$ 673,546	$ 410,558	$ 311,496	$ 1,395,600
Significant segment expenses				
Product costs (1)	324,312	215,936	158,783	699,031
Other operating expenses (2)	156,207	113,755	60,680	330,642
Segment operating earnings	$ 193,027	$ 80,867	$ 92,033	$ 365,927

(1) Product costs include the costs of raw materials and are recorded in Cost of goods sold in the Company's Condensed Consolidated Statements of Operations.

(2) Other operating expenses include overhead costs of operating the Company's production facilities and providing chemical management services to customers and direct SG&A.

(3) Product costs includes the $6.0 million amortization of the fair value step-up in Dipsol's inventories as a result of the acquisition for the nine months ended September 30, 2025, which is comprised of approximately $2.6 million in the Americas segment, $3.0 million in the Asia/Pacific segment, and $0.4 million in the EMEA segment.

(4) Product costs includes a $0.7 million loss and a $2.9 million gain related to immaterial out-of-period adjustments for inventory for the three and nine months ended September 30, 2025, respectively. The $0.7 million loss was recognized in the Americas segment during the three months ended September 30, 2025. The $2.9 million gain recognized during the nine months ended September 30, 2025 was comprised of a $0.7 million gain in the Americas segment and a $2.2 million gain in the EMEA segment.

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

The following table presents a reconciliation of the Company's segment operating earnings to income (loss) before taxes and equity in net income of associated companies in the Company's Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2025 and 2024:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Segment operating earnings	$ 120,961	$ 117,421	$ 341,432	$ 365,927
Restructuring and related charges, net	(7,745)	(2,610)	(31,128)	(4,787)
Impairment charges	—	—	(88,840)	—
Non-operating and administrative expenses	(49,560)	(47,778)	(151,137)	(149,538)
Depreciation of corporate assets and amortization	(17,015)	(15,315)	(48,572)	(45,909)
Operating income	46,641	51,718	21,755	165,693
Other (expense) income, net	(270)	783	(1,632)	2,285
Interest expense	(10,941)	(10,347)	(33,265)	(31,925)
Income (loss) before taxes and equity in net income of associated companies	$ 35,430	$ 42,154	$ (13,142)	$ 136,053

The following table presents information regarding the Company's reportable segments' depreciation for the three and nine months ended September 30, 2025 and 2024:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Depreciation	2025	2024	2025	2024
Americas	$ 2,964	$ 2,698	$ 8,522	$ 8,193
EMEA	2,162	1,919	6,115	5,676
Asia/Pacific	2,052	1,243	5,262	3,381
Total segment depreciation	$ 7,178	$ 5,860	$ 19,899	$ 17,250

Note 5 – Net Sales and Revenue Recognition

Customer Concentration

A significant portion of the Company's revenues are realized from the sale of process fluids and services to manufacturers of steel, aluminum, automotive, aerospace, industrial and agricultural equipment, and durable goods. As previously disclosed in the Company's 2024 Form 10-K, the Company's five largest customers combined (each composed of multiple subsidiaries or divisions with semiautonomous purchasing authority) accounted for approximately 12% of consolidated net sales for 2024, with its largest customer accounting for approximately 3% of consolidated net sales.

Contract Assets and Liabilities

The Company had no material contract assets recorded on its Condensed Consolidated Balance Sheets as of September 30, 2025 or December 31, 2024.

The Company had approximately $2.8 million and $4.2 million of deferred revenue as of September 30, 2025 and December 31, 2024, respectively. For the nine months ended September 30, 2025, the Company satisfied materially all of the associated performance obligations and recognized into revenue materially all advance payments received and recorded as of December 31, 2024.

Disaggregated Revenue

The Company sells its industrial process fluids, specialty chemicals and technical expertise as a global product portfolio. The Company generally manages and evaluates its performance by reportable segment first, and then by customer industries. Net sales of each of the Company's major product lines are generally spread throughout all three of the Company's reportable segments, and in most cases, are approximately proportionate to the level of total sales in each reportable segment.

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

The following tables disaggregate the Company's net sales by segment and customer industry.

	Three Months Ended September 30, 2025			
Customer Industries	**Americas**	**EMEA**	**Asia/Pacific**	**Consolidated Total**
Metals	$ 66,807	$ 37,227	$ 56,230	$ 160,264
Metalworking and other	155,980	106,673	70,925	333,578
	$ 222,787	$ 143,900	$ 127,155	$ 493,842

	Nine Months Ended September 30, 2025			
Customer Industries	**Americas**	**EMEA**	**Asia/Pacific**	**Consolidated Total**
Metals	$ 193,928	$ 106,535	$ 161,879	$ 462,342
Metalworking and other	463,632	306,566	187,616	957,814
	$ 657,560	$ 413,101	$ 349,495	$ 1,420,156

	Three Months Ended September 30, 2024			
Customer Industries	**Americas**	**EMEA**	**Asia/Pacific**	**Consolidated Total**
Metals	$ 65,393	$ 34,782	$ 52,385	$ 152,560
Metalworking and other	154,882	99,353	55,479	309,714
	$ 220,275	$ 134,135	$ 107,864	$ 462,274

	Nine Months Ended September 30, 2024			
Customer Industries	**Americas**	**EMEA**	**Asia/Pacific**	**Consolidated Total**
Metals	$ 195,172	$ 102,909	$ 153,446	$ 451,527
Metalworking and other	478,374	307,649	158,050	944,073
	$ 673,546	$ 410,558	$ 311,496	$ 1,395,600

Note 6 - Leases

The Company has operating leases for certain facilities, vehicles, and machinery and equipment with remaining lease terms up to 9 years. Operating lease expense is recognized on a straight-line basis over the lease term. In addition, the Company has certain land use leases with remaining lease terms up to 90 years.

The Company had no material variable lease costs, sublease income, or finance leases for the three and nine months ended September 30, 2025 and 2024. The components of the Company's lease expense are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Operating lease expense	$ 4,316	$ 3,695	$ 12,326	$ 11,165
Short-term lease expense	159	198	443	590

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

Supplemental cash flow information related to the Company's leases is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:				
Operating cash flows from operating leases	$ 4,288	$ 3,632	$ 12,133	$ 11,029
Non-cash lease liabilities activity:				
Leased assets obtained in exchange for new operating lease liabilities	1,475	691	11,957	6,055

Supplemental balance sheet information related to the Company's leases is as follows:

	September 30, 2025	December 31, 2024
Right-of-use lease assets	$ 38,454	$ 34,120
Other accrued liabilities	12,441	10,619
Long-term lease liabilities	22,637	20,028
Total operating lease liabilities	$ 35,078	$ 30,647
Weighted average remaining lease term (years)	4.9	5.0
Weighted average discount rate	6.23 %	5.63 %

Maturities of operating lease liabilities as of September 30, 2025 were as follows:

For the remainder of 2025	$ 4,076
For the year ended December 31, 2026	12,844
For the year ended December 31, 2027	8,254
For the year ended December 31, 2028	5,530
For the year ended December 31, 2029	3,412
For the year ended December 31, 2030 and beyond	6,603
Total lease payments	40,719
Less: imputed interest	(5,641)
Present value of lease liabilities [(1)]	$ 35,078

[(1)] During the year ended December 31, 2024, the Company entered into a new lease agreement for office and laboratory space in Radnor, Pennsylvania for the purpose of relocating its global headquarters. The lease for one portion of the laboratory space is expected to commence in the second quarter of 2026. The lease for the remaining portions of laboratory and office space is expected to commence upon the completion of the lessor owned leasehold improvements, which is expected to be in the second half of 2026. The cumulative future lease commitment for the laboratory and office space is $79.7 million. The future lease commitments relating to this lease were not included in the lease liabilities balance as of September 30, 2025.

Note 7 – Restructuring and Related Activities

In 2022, the Company initiated a global cost and optimization program to improve its cost structure and drive a more profitable and productive organization. As of September 30, 2025, the program included restructuring and associated severance costs to reduce headcount by approximately 420 positions globally. These actions are expected to be substantially complete by the end of 2026.

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

Employee separation benefits vary depending on local regulations across countries. The timing to finalize costs associated with all actions will depend on a number of factors and is subject to change. In addition to the global cost and optimization program described above, the Company continues to take actions to optimize its facility footprint. Restructuring costs incurred during the three and nine months ended September 30, 2025 and 2024 include employee severance and asset-related and facility closure costs, including non-cash asset write-offs, which are recorded in Restructuring and related charges, net in the Company's Condensed Consolidated Statements of Operations.

Activity in the Company's accrual for its restructuring program and facility closure actions are as follows:

Accrued restructuring as of December 31, 2024	$	2,297
Severance costs		28,378
Asset-related and facility closure charges		2,750
Cash payments		(21,671)
Reductions against the reserve		(2,236)
Currency translation adjustments		199
Accrued restructuring as of September 30, 2025	$	9,717

The total liability related to the restructuring program and facility closure actions was $9.7 million as of September 30, 2025, which consisted of $4.8 million recognized in Accrued restructuring in the Condensed Consolidated Balance Sheets and $4.9 million recognized in Other non-current liabilities in the Condensed Consolidated Balance Sheets. The total liability was $2.3 million as of December 31, 2024, which was recognized in Accrued restructuring in the Condensed Consolidated Balance Sheets.

In connection with the plans for closure of certain manufacturing and non-manufacturing facilities, the Company has made available for sale certain facilities and properties. As of September 30, 2025, the Company classified properties in the Americas segment with an aggregate book value of approximately $1.2 million as held-for-sale. These assets are recorded in Prepaid expenses and other current assets in the Company's Condensed Consolidated Balance Sheets. The Company expects to complete the sale of these properties over the next 12 months. During the nine months ended September 30, 2025, the Company completed the sale of certain property previously classified as held for sale for a gain of $2.2 million, which is recorded in Other (expense) income, net in the Company's Condensed Consolidated Statements of Operations.

Note 8 – Share-Based Compensation

The Company recognized $3.5 million and $10.4 million, respectively, of share-based compensation expense in its Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2025, compared to $4.3 million and $12.4 million, respectively, for the three and nine months ended September 30, 2024.

Restricted Stock Awards

As of September 30, 2025, unrecognized compensation expense related to non-vested restricted shares was $0.2 million, to be recognized over a weighted average remaining period of 0.4 years.

Restricted Stock Units

During the nine months ended September 30, 2025, the Company granted 80,100 restricted stock units under its LTIP, which are subject to time-based vesting, generally over one to three years. The fair value of these grants is based on the closing price of the Company's common stock on the date of grant. As of September 30, 2025, unrecognized compensation expense related to non-vested restricted stock units was $9.1 million, to be recognized over a weighted average remaining period of 1.5 years.

Performance Stock Units

As a component of its LTIP, the Company grants performance-based stock unit awards ("PSUs"). The number of shares that may ultimately be issued as settlement for each award may range from 0% up to 200% of the target award, subject to the achievement of the Company's market-based total shareholder return ("TSR") metric relative to the performance of a selected peer group, and separately the achievement of a performance-based return on invested capital ("ROIC") measure. The service vesting period required for the PSUs is generally three years and the measurement period of the market-based and performance objectives is generally from January 1 of the year of grant through December 31 of the year prior to issuance of the shares.

As mentioned above, a portion of the Company's PSUs are subject to the achievement of the Company's TSR relative to the performance of a selected peer group. For PSUs subject to relative TSR performance granted in 2025 and 2024, the Company's peer group was the S&P Composite 1500 Chemicals index.

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

Compensation expense for PSUs is measured based on the grant date fair value and is recognized on a straight-line vesting method basis over the applicable vesting period. During the nine months ended September 30, 2025, the Company granted 26,658 PSUs with a ROIC condition. The fair value of these grants is based on the closing trading price of the Company's common stock on the date of grant. During the nine months ended September 30, 2025, the Company granted 26,608 PSUs with a relative TSR condition. These PSUs are valued using a Monte Carlo simulation on the grant date and had a grant-date fair value of $150.90 per unit, which was developed based on the assumptions set forth in the table below:

	2025 Grants
Risk-free interest rate	3.96%
Dividend yield	1.51%
Expected term (years)	3.0

As of September 30, 2025, there was approximately $7.6 million of total unrecognized compensation cost related to PSUs, which the Company expects to recognize over a weighted-average period of 2.1 years.

Note 9 – Pension and Other Postretirement Benefits

The components of net periodic benefit cost (income) are as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	Pension Benefits		Other Postretirement Benefits		Pension Benefits		Other Postretirement Benefits	
	2025	2024	2025	2024	2025	2024	2025	2024
Service cost	$ 112	$ 103	$ —	$ —	$ 323	$ 319	$ —	$ —
Interest cost	2,410	2,393	17	15	7,074	7,131	46	46
Expected return on plan assets	(2,100)	(2,056)	—	—	(6,160)	(6,104)	—	—
Actuarial loss (gain) amortization	154	128	(18)	(17)	443	380	(70)	(76)
Prior service cost amortization	6	6	—	—	18	21	—	—
Net periodic benefit cost (income)	$ 582	$ 574	$ (1)	$ (2)	$ 1,698	$ 1,747	$ (24)	$ (30)

Employer Contributions

During the nine months ended September 30, 2025, $4.0 million of contributions have been made to the Company's U.S. and foreign pension plans. Contributions to other postretirement benefit plans were $0.2 million. Taking into consideration current minimum cash contribution requirements, the Company currently expects to make full year cash contributions of approximately $6.7 million to its U.S. and foreign pension plans and approximately $0.2 million to its other postretirement benefit plans.

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

Note 10 – Other (Expense) Income, net

The components of Other (expense) income, net are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Non-income tax refunds and other related credits	$ 2,597	$ 732	$ 2,897	$ 3,755
(Loss) gain on disposals of property, plant, equipment and other assets, net	(57)	(56)	2,051	861
Foreign exchange losses, net	(2,500)	(949)	(7,101)	(2,124)
Pension and postretirement benefit costs, non-service components	(469)	(469)	(1,351)	(1,398)
Business interruption insurance proceeds	—	1,000	—	1,000
Product liability claim costs, net	—	—	—	(896)
Earnout liability adjustment	794	400	454	400
Interest income	579	—	1,991	—
Multiemployer plan withdrawal charge	(923)	—	(923)	—
Other non-operating (loss) income, net	(291)	125	350	687
Total other (expense) income, net	$ (270)	$ 783	$ (1,632)	$ 2,285

Non-income tax refunds and other related credits includes $1.8 million of indirect tax credits and interest received during the three and nine months ended September 30, 2025 relating to the Brazil Supreme Court ruling in regard to certain non-income (indirect) taxes that have been previously charged and paid.

(Loss) gain on disposals of property, plant, equipment and other assets, net, includes the gain of $2.2 million recognized for the sale of certain property previously classified as held for sale during the nine months ended September 30, 2025. See Note 7, *Restructuring and Related Activities*, for more information.

Foreign exchange losses, net includes a $1.4 million foreign exchange loss, respectively, during the nine months ended September 30, 2025 relating to the change in fair value of the foreign exchange forward contracts entered into in connection with the acquisition of Dipsol. See Note 17, *Hedging Activities*, for more information.

Business interruption insurance proceeds during the three and nine months ended September 30, 2024 reflects an insurance recovery of $1.0 million related to production losses due to an electrical fire in 2021 that resulted in temporary shutdown of production at one of the Company's production facilities. See Note 18, *Commitments and Contingencies*, for additional discussion regarding the Company's business interruption claims.

Product liability claim costs, net represents expense related to a payment by the Company in connection with a product liability dispute with a customer, net of insurance recoveries during the nine months ended September 30, 2024.

Multiemployer plan withdrawal charge during the three and nine months ended September 30, 2025 represents a $0.9 million expense related to the Company withdrawing from the Cleveland Bakers and Teamsters Pension Fund, a multiemployer defined benefit pension plan, in connection with a site closure under the Company's restructuring program and facility closure actions.

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

Note 11 – Income Taxes

The Company’s effective tax rates for the three and nine months ended September 30, 2025 were 26.2% and (169.5)%, respectively, compared to 28.9% and 29.7%, respectively, for the three and nine months ended September 30, 2024. The Company’s effective tax rate for the three months ended September 30, 2025 was largely driven by our mix of pre-tax earnings and withholding taxes offset by return to provision adjustments and net favorable reductions in uncertain tax positions. The Company’s effective tax rate for the nine months ended September 30, 2025 was largely driven by our mix of pre-tax earnings, goodwill impairment, and withholding taxes offset by return to provision adjustments and net favorable reductions in uncertain tax positions. Comparatively, the effective tax rate for the three months ended September 30, 2024 was largely driven by the mix of pre-tax earnings, withholding taxes, and changes in uncertain tax positions offset by return to provision adjustments. The effective tax rate for the nine months ended September 30, 2024 was further impacted by certain one-time charges related to an intercompany intangible asset transfer offset by changes in uncertain tax positions.

On July 4, 2025, H.R. 1, commonly known as the One Big Beautiful Bill Act (the “OBBB”), was signed into law. This includes significant changes to the federal corporate tax provisions and extends certain otherwise expiring provisions of the 2017 Tax Cuts and Jobs Act. Among other things, the legislation restores 100% bonus depreciation for eligible property, reinstates expensing for domestic research and experimental expenditures, imposes new limitations on interest expense deductibility, and expands disallowed deductions for certain employee remuneration. The OBBB also includes provisions that could impact our international business and which are still being evaluated. ASU 2023-09 Income Taxes (Topic 740) requires the effects of changes in tax rates and laws on deferred tax balances to be recognized in the period in which the relevant legislation is enacted. The OBBB may affect the Company’s tax assets and liabilities in future periods. The legislation has multiple effective dates, with certain provisions effective in 2025 and other provisions implemented through 2027. While the Company continues to evaluate the potential impacts of the provisions effective in 2026 and 2027, the Company does not expect the provisions effective in 2025 to have a material impact to our consolidated financial statements.

Note 12 – Earnings Per Share

The following table summarizes earnings (loss) per share calculations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Basic earnings per common share				
Net income (loss) attributable to Quaker Chemical Corporation	$ 30,469	$ 32,346	$ (23,189)	$ 102,458
Less: (income) loss allocated to participating securities	(30)	(85)	44	(359)
Net income (loss) available to common shareholders	$ 30,439	$ 32,261	$ (23,145)	$ 102,099
Basic weighted average common shares outstanding	17,363,947	17,837,858	17,524,377	17,889,168
Basic earnings (loss) per common share	$ 1.75	$ 1.81	$ (1.32)	$ 5.71
Diluted earnings per common share				
Net income (loss) attributable to Quaker Chemical Corporation	$ 30,469	$ 32,346	$ (23,189)	$ 102,458
Less: (income) loss allocated to participating securities	(30)	(85)	44	(358)
Net income (loss) available to common shareholders	$ 30,439	$ 32,261	$ (23,145)	$ 102,100
Basic weighted average common shares outstanding	17,363,947	17,837,858	17,524,377	17,889,168
Effect of dilutive securities	57,143	26,477	21,289	20,799
Diluted weighted average common shares outstanding	17,421,090	17,864,335	17,545,666	17,909,967
Diluted earnings (loss) per common share	$ 1.75	$ 1.81	$ (1.32)	$ 5.70

Certain stock options, restricted stock units, and PSUs are not included in the diluted earnings per share calculation when the effect would be anti-dilutive. The number of anti-dilutive shares were 27,037 and 41,854, respectively, for the three and nine months ended September 30, 2025, compared to 19,374 and 31,377, respectively, for the three and nine months ended September 30, 2024.

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

Note 13 – Goodwill and Other Intangible Assets

Changes in the carrying amount of goodwill for the nine months ended September 30, 2025 were as follows:

	Americas	EMEA	Asia/Pacific	Total
Balance as of December 31, 2024	$ 276,875	$ 80,404	$ 161,615	$ 518,894
Goodwill recognized for Dipsol acquisition	5,276	380	47,386	53,042
Goodwill recognized for Natech acquisition	—	2,625	—	2,625
Goodwill recognized for CSI acquisition	—	1,721	—	1,721
Goodwill recognized for Sutai acquisition [(1)]	—	—	(233)	(233)
Currency translation adjustments	3,932	3,710	6,916	14,558
Goodwill impairments	—	(88,840)	—	(88,840)
Balance as of September 30, 2025	$ 286,083	$ —	$ 215,684	$ 501,767

[(1)] During the nine months ended September 30, 2025, the Company finalized the working capital settlements which impacted the goodwill recorded. See Note 2, *Business Acquisitions*, for additional information.

	Sep 30, 2025	Dec 31, 2024
Goodwill, gross	$ 694,071	$ 611,498
Accumulated impairment losses [(1)]	(192,304)	(92,604)
Goodwill, net	$ 501,767	$ 518,894

[(1)] Accumulated impairment losses are attributable to the non-cash impairment charges of $88.8 million and $93.0 million to write down the carrying value of the EMEA reporting unit during the second quarter of 2025 and the fourth quarter of 2022, respectively. These amounts include the impact of currency translation.

The Company completes its annual goodwill and indefinite-lived intangible asset impairment tests during the fourth quarter of each year, or more frequently if triggering events indicate a possible impairment in one or more of its reporting units. The Company continually evaluates financial performance, economic conditions and other recent developments in assessing if a triggering event indicates that the carrying value of goodwill, indefinite-lived, or long-lived assets might be impaired.

During the second quarter of 2025, the Company concluded that the negative impacts of the lower than projected financial performance, driven by the continuation of soft end market conditions, as well as an increase in the Company's cost of capital, driven by uncertainty around the potential negative impacts of tariffs, represented a triggering event for the Company's EMEA reporting unit and the associated goodwill, as well as the related asset group. As a result of this conclusion, the Company completed an interim impairment assessment as of June 30, 2025 for its EMEA reporting unit and the related asset group. The Company concluded that the undiscounted cash flows exceeded the carrying value of the EMEA asset group, and therefore that the long-lived assets are not impaired. In completing a quantitative goodwill impairment test, the Company compares the reporting unit's fair value, based on future discounted cash flows, to its carrying value in order to determine if an impairment of goodwill exists. The estimates of future discounted cash flows involve considerable judgment and are based upon certain significant assumptions including the weighted average cost of capital ("WACC") as well as projected EBITDA, which includes assumptions related to revenue growth rates, gross margin levels and operating expenses. As a result of the impact of the uncertainty around tariffs, and continued soft end market conditions driving lower current year EMEA earnings and a decline in projected future EMEA earnings, as well as an increase in the WACC assumption utilized in the Company's 2024 annual impairment assessment, the Company concluded that the estimated fair value of the EMEA reporting unit was less than its carrying value. As a result, a pre-tax, non-cash impairment charge of $88.8 million ($86.7 million after-tax) to write down the remaining carrying value amount of the EMEA reporting unit Goodwill was recorded in the second quarter of 2025, reflected in "Impairment charges" in the Consolidated Statements of Operations for the nine months ended September 30, 2025.

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

Gross carrying amounts and accumulated amortization for definite-lived intangible assets were as follows:

	Gross Carrying Amount		Accumulated Amortization		Net Book Value	
	September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024
Customer lists and rights to sell	$ 900,207	$ 829,255	$ 337,586	$ 285,450	$ 562,621	$ 543,805
Trademarks, formulations and product technology	200,709	160,257	74,473	62,373	126,236	97,884
Other	6,881	5,759	6,241	5,663	640	96
Total definite-lived intangible assets	$ 1,107,797	$ 995,271	$ 418,300	$ 353,486	$ 689,497	$ 641,785

The Company amortizes definite-lived intangible assets on a straight-line basis over their useful lives. The Company recorded amortization expense as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Amortization expense	$ 16,394	$ 14,630	$ 46,719	$ 43,845

Estimated annual aggregate amortization expense for the current year and subsequent five years is as follows:

For the remainder of 2025	$ 16,499
For the year ended December 31, 2026	63,634
For the year ended December 31, 2027	63,294
For the year ended December 31, 2028	62,821
For the year ended December 31, 2029	61,682
For the year ended December 31, 2030	59,338

As of September 30, 2025 and December 31, 2024, the Company had indefinite-lived intangible assets for trademarks and tradenames totaling $201.1 million and $185.3 million, respectively.

Note 14 – Debt

The following table sets forth the components of the Company’s debt:

	As of September 30, 2025		As of December 31, 2024	
	Interest Rate	Outstanding Balance	Interest Rate	Outstanding Balance
Credit Facilities:				
Revolver	5.36%	$ 224,084	4.00%	$ 48,820
U.S. Term Loan	5.50%	488,824	5.62%	508,863
Euro Term Loan	3.13%	150,525	4.00%	138,767
Industrial development bonds	5.26%	10,000	5.26%	10,000
Bank lines of credit and other debt obligations	Various	1,801	Various	1,817
Total debt		$ 875,234		$ 708,267
Less: debt issuance costs		(763)		(1,099)
Less: short-term and current portion of long-term debts		(35,949)		(37,554)
Total long-term debt		$ 838,522		$ 669,614

Credit facilities

In June 2022, the Company, and its wholly owned subsidiary, Quaker Houghton B.V., as borrowers, Bank of America, N.A., as administrative agent, U.S. dollar swing line lender and letter of credit issuer, Bank of America Europe Designated Active Company, as Euro Swing Line Lender, certain guarantors and other lenders entered into an amendment to its primary credit facility. The amended credit facility (the "Credit Facility") established (A) a $150.0 million Euro equivalent senior secured term loan (the "Euro Term Loan"), (B) a $600.0 million senior secured term loan (the "U.S. Term Loan"), and (C) a $500.0 million senior secured revolving credit facility (the "Revolver"), each maturing in June 2027. The Company has the right to increase the amount of the Credit Facility by an aggregate amount not to exceed the greater of $300.0 million or 100% of Consolidated EBITDA, subject to certain conditions including the agreement to provide financing by any lender providing such increase.

As of September 30, 2025, the Company was in compliance with all of the Credit Facility covenants. See Note 19, *Debt,* to Consolidated Financial Statements in the Company's 2024 Form 10-K.

The weighted average variable interest rate incurred on the outstanding borrowings under the Credit Facility during the three and nine months ended September 30, 2025 was approximately 5.2% for both periods. As of September 30, 2025, the interest rate on the outstanding borrowings under the Credit Facility was approximately 5.1%. As part of the Credit Facility, in addition to paying interest on outstanding principal, the Company is also required to pay an annual commitment fee ranging from 0.150% to 0.275% related to unutilized commitments under the Revolver, depending on the Company's consolidated net leverage ratio. The Company had unused capacity under the Revolver of approximately $273 million, which is net of bank letters of credit of approximately $2 million, as of September 30, 2025.

In order to manage the Company's exposure to variable interest rate risk associated with the Credit Facility, in the first quarter of 2023, the Company entered into $300.0 million notional amounts of three-year interest rate swaps to convert a portion of the Company's variable rate borrowings to an average fixed rate of 3.64% plus an applicable margin as provided in the Credit Facility based on the Company's consolidated net leverage ratio. As of September 30, 2025, the aggregate interest rate on the swaps, including the fixed base rate plus the applicable margin, was 5.0%. See Note 17, *Hedging Activities*, for more information.

The Company capitalized third-party and credit debt issuance costs attributed to the Euro Term Loan, U.S. Term Loan and Revolver during the second quarter of 2022. Capitalized costs attributed to the Euro Term Loan and U.S. Term Loan are recorded as a direct offset to Long-term debt on the Condensed Consolidated Balance Sheets. Capitalized costs attributed to the Revolver are recorded within Other assets on the Condensed Consolidated Balance Sheets. These capitalized costs are amortized into Interest expense over the five-year term of the Credit Facility. As of September 30, 2025 and December 31, 2024, the Company had $0.8 million and $1.1 million, respectively, of debt issuance costs recorded as a reduction of Long-term debt and $1.6 million and $2.4 million, respectively, of debt issuance costs recorded within Other assets.

Industrial development bonds

As of September 30, 2025 and December 31, 2024, the Company had fixed rate, industrial development authority bonds totaling $10.0 million in principal amount due in 2028. These bonds have similar covenants to the Credit Facility noted above.

Bank lines of credit and other debt obligations

The Company has certain unsecured bank lines of credit and discounting facilities in certain foreign subsidiaries, which are not collateralized. The Company's other debt obligations primarily consist of certain domestic and foreign low interest rate or interest-free municipality-related loans, local credit facilities of certain foreign subsidiaries, and finance lease obligations. Total unused capacity under these arrangements as of September 30, 2025 was approximately $57 million.

In addition to the bank letters of credit described in the "Credit facilities" subsection above, the Company's other off-balance sheet arrangements include certain financial and other guarantees. The Company's total bank letters of credit and guarantees outstanding as of September 30, 2025 were approximately $7 million.

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

Interest expense

The Company incurred the following debt related expenses included within Interest expense in the Condensed Consolidated Statements of Operations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Interest expense	$ 10,588	$ 10,774	$ 32,206	$ 33,585
Amortization of debt issuance costs	353	353	1,059	1,059
Total	$ 10,941	$ 11,127	$ 33,265	$ 34,644

Based on the variable interest rates associated with the Credit Facility, as of September 30, 2025 and as of December 31, 2024, the amounts at which the Company's total debt were recorded are not materially different from their fair market value.

Note 15 – Accumulated Other Comprehensive Income

The following tables show the reclassifications from and resulting balances of accumulated other comprehensive income ("AOCI"):

	Currency Translation Adjustments [(1)]	Defined Benefit Pension Plans	Unrealized Gain (Loss) in Available-for-Sale Securities	Derivative Instruments	Total
Balance as of June 30, 2025	$ (103,831)	$ (11,682)	$ (224)	$ 556	$ (115,181)
Other comprehensive (loss) income before Reclassifications	(1,299)	156	453	(431)	(1,121)
Amounts reclassified from AOCI	—	140	6	—	146
Related tax amounts	895	(74)	(97)	99	823
Balance as of September 30, 2025	$ (104,235)	$ (11,460)	$ 138	$ 224	$ (115,333)
Balance as of June 30, 2024	$ (159,574)	$ (10,259)	$ 334	$ 3,737	$ (165,762)
Other comprehensive income (loss) before Reclassifications	41,535	(858)	411	(5,226)	35,862
Amounts reclassified from AOCI	—	164	—	—	164
Related tax amounts	—	172	(86)	1,202	1,288
Balance as of September 30, 2024	$ (118,039)	$ (10,781)	$ 659	$ (287)	$ (128,448)

[(1)] Includes mark-to-market impacts associated with net investment hedges. See Note 17, *Hedging Activities*, for more information.

Quaker Chemical Corporation
Notes to Condensed Consolidated Financial Statements - Continued
(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

	Currency Translation Adjustments[1]	Defined Benefit Pension Plans	Unrealized Gain (Loss) in Available-for-Sale Securities	Derivative Instruments	Total
Balance as of December 31, 2024	$ (192,841)	$ (10,313)	$ 287	$ 1,248	$ (201,619)
Other comprehensive income (loss) before reclassifications	87,956	(1,917)	(205)	(1,330)	84,504
Amounts reclassified from AOCI	—	392	17	—	409
Related tax amounts	650	378	39	306	1,373
Balance as of September 30, 2025	$ (104,235)	$ (11,460)	$ 138	$ 224	$ (115,333)
Balance as of December 31, 2023	$ (115,417)	$ (10,738)	$ 333	$ 1,407	$ (124,415)
Other comprehensive (loss) income before reclassifications	(2,622)	(425)	416	(2,200)	(4,831)
Amounts reclassified from AOCI	—	373	(4)	—	369
Related tax amounts	—	9	(86)	506	429
Balance as of September 30, 2024	$ (118,039)	$ (10,781)	$ 659	$ (287)	$ (128,448)

(1) Includes mark-to-market impacts associated with net investment hedges. See Note 17, *Hedging Activities*, for more information.

All reclassifications related to unrealized gain (loss) in available-for-sale securities relate to the Company's equity interest in Primex, a captive insurance company, and are recorded in equity in net income of associated companies. The amounts reported in other comprehensive income for noncontrolling interest are related to currency translation adjustments.

Note 16 – Fair Value Measurements

The Company values its company-owned life insurance policies at fair value. The Company owns an immaterial amount of company-owned life insurance policies as of September 30, 2025 and December 31, 2024.

See Note 17, *Hedging Activities*, for a description of the Company's derivative instruments.

Note 17 – Hedging Activities

The Company's ongoing business operations expose it to various risks, including fluctuating foreign exchange rates and interest rate risk. To manage these risks, the Company periodically enters into derivative financial instruments, such as foreign exchange forward contracts, interest rate swap agreements, and cross-currency swap agreements. The Company does not hold or enter into derivative financial instruments for trading or speculative purposes.

Foreign Exchange Forward Contracts

The Company uses foreign exchange forward contracts to economically hedge the impact of the variability in exchange rates on certain assets and/or liabilities denominated in foreign currencies. These forward contracts are marked-to-market at each reporting date. Changes in the fair value of the underlying instrument and settlements are recognized in earnings in Other (expense) income, net. The fair value of the forward contract is determined from sources independent of the Company, including the financial institutions which are party to the derivative instruments.

Open foreign exchange forward contracts as of September 30, 2025 were entered into as hedges of the Japanese yen and Mexican peso against the U.S. dollar and had the following notional U.S. dollar values (in millions):

Currency	September 30, 2025
Mexican Peso	$ 11,200
Japanese Yen	17,500
	$ 28,700

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

In connection with the acquisition of Dipsol as described in Note 2, *Business Acquisitions*, in March 2025, the Company entered into multiple foreign exchange forward contracts with various financial institutions with an aggregate notional amount totaling $155.3 million to hedge the variability of exchange rate impacts between the U.S. Dollar and Japanese yen. These foreign exchange forward contracts settled on April 1, 2025. The Company recognized a $1.4 million foreign currency loss during the nine months ended September 30, 2025 in Other (expense) income, net relating to the change in fair value of these instruments as of the settlement date.

Open foreign exchange forward contracts as of September 30, 2025 had maturities occurring over a period of up to one month.

Interest Rate Swaps

In order to manage the Company's exposure to variable interest rate risk associated with the Credit Facility, such as the Secured Overnight Financing Rate ("SOFR"), in the first quarter of 2023, the Company entered into $300.0 million notional amounts of three-year interest rate swaps to convert a portion of the Company's variable-rate borrowings into a fixed-rate obligation. See Note 14, *Debt*, for additional information. These interest rate swaps are designated as cash flow hedges and, as such, the contracts are marked-to-market at each reporting date with any unrealized gains or losses included in AOCI to the extent effective and reclassified to interest expense in the period during which the hedged transactions affect earnings or it becomes probable that the forecasted transaction will not occur.

Net Investment Hedges

In June 2025, the Company entered into a fixed-for-fixed cross currency swap for a notional amount of $75.0 million to hedge the variability of exchange rate impacts between the U.S. Dollar and the European euro. Under the terms of the cross-currency swap agreement, the Company notionally exchanged $75.0 million at an interest rate of 1.9% for 65.8 million EUR at an interest rate of 0.0%. The cross-currency swap is designated as a net investment hedge on a pre-tax basis and expires in June 2027.

In April 2025, the Company entered into fixed-for-fixed cross currency swaps with an aggregate notional amount totaling $100.0 million to hedge the variability of exchange rate impacts between the U.S. Dollar and Japanese yen. Under the terms of the cross-currency swap agreements, the Company notionally exchanged $100.0 million at a weighted average interest rate of 3.1% for 14.3 billion JPY at a weighted average interest rate of 0.0%. The cross-currency swaps are designated as net investment hedges on an after-tax basis and expire in April 2028.

The fixed-for-fixed cross-currency swaps are marked to market at each reporting date and any unrealized gains or losses are included in unrealized currency translation adjustments, within AOCI. The Company uses the spot method to evaluate the effectiveness of the net investment hedges.

The balance sheet classification and fair values of the Company's derivative instruments, which are Level 2 measurements, are as follows:

Derivative instruments	**Condensed Consolidated Balance Sheets Location**	**September 30, 2025**	**December 31, 2024**
Net investment hedges	Other non-current assets	$ 4,372	$ —
Net investment hedges	Other non-current liabilities	1,549	—
Interest rate swaps	Prepaid expenses and other current assets	291	—
Interest rate swaps	Other non-current assets	—	1,621
Foreign currency forward contracts	Other accrued liabilities	63	67

The following table presents the net unrealized gain deferred to AOCI:

Derivative instruments:	**Condensed Consolidated Balance Sheets Location**	**September 30, 2025**	**December 31, 2024**
Net investment hedges	AOCI	$ 2,174	$ —
Interest rate swaps	AOCI	224	1,248

(Unaudited; Dollars in thousands, except per share amounts, unless otherwise stated)

The following table presents the location and the amount of net gain (loss) recognized in the Company's Condensed Consolidated Statements of Operations related to derivative instruments:

Derivative instruments	Condensed Consolidated Statements of Operations	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Net investment hedges	Interest expense	$ 1,131	$ —	$ 1,828	$ —
Interest rate swaps	Interest expense	535	1,295	1,576	3,854
Foreign exchange forward contracts	Other (expense) income, net	938	(1,308)	523	(2,040)
Total		$ 2,604	$ (13)	$ 3,927	$ 1,814

Note 18 – Commitments and Contingencies

As previously disclosed in its 2024 Form 10-K, the Company is party to certain environmental matters and other litigation. See Note 25, *Commitments and Contingencies*, in the Company's 2024 Form 10-K for more information. During the three and nine months ended September 30, 2025, there have been no significant changes to the facts or circumstances of any of the previously disclosed matters. Although there can be no assurance regarding the outcome of any of the ongoing environmental matters or litigation, the Company believes that it has made adequate accruals for costs and liabilities associated with these matters. The Company has accrued approximately $5.5 million and $5.3 million as of September 30, 2025 and December 31, 2024, respectively, for these ongoing matters.

The Company previously disclosed in its 2024 Form 10-K that one of its North American production facilities experienced an electrical fire in 2021 that resulted in property damage and the temporary shutdown of production. The Company and its insurance carrier reviewed the impact of the electrical fire on the production facility's operations as it relates to a potential business interruption insurance claim. In July 2024, the Company and its insurance carrier settled this claim for $1.0 million.

In addition, during the three and nine months ended September 30, 2025, there are no new environmental matters or litigation that the Company believes will have a material adverse effect on the Company's results of operations, cash flows, or financial condition.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations.***

As used in this Report, the terms "Quaker Houghton," the "Company," "we" and "our" refer to Quaker Chemical Corporation (doing business as Quaker Houghton), its subsidiaries, and associated companies, unless the context otherwise requires.

Executive Summary

Quaker Houghton is the global leader in industrial process fluids. With a presence around the world, including operations in over 25 countries, our customers include thousands of the world's most advanced and specialized steel, aluminum, automotive, aerospace, offshore, container, mining, and metalworking companies. Our high-performing, innovative and sustainable solutions are backed by best-in-class technology, deep process knowledge, and customized services. Quaker Houghton is headquartered in Conshohocken, Pennsylvania, located near Philadelphia in the U.S.

Net sales in the third quarter of 2025 were $493.8 million, an increase of 7% compared to $462.3 million in the third quarter of 2024. This increase was primarily driven by a contribution from acquisitions of approximately 5%, an increase in organic sales volumes of approximately 3%, and a favorable impact from foreign currency translation of approximately 1%, partially offset by a decline in selling price and product mix of approximately 2%. The increase in organic sales volumes compared to the prior year was primarily a result of continued growth in the Asia/Pacific segment and new business wins across all segments, helping to offset a continuation of soft end market conditions including the uncertainty caused by tariffs, particularly in the Americas and EMEA segments. The decrease in selling price and product mix was primarily attributable to the impact of the mix of products, services and geographies and the impact of our index-based customer contracts.

The Company reported net income in the third quarter of 2025 of $30.5 million, or $1.75 earnings per diluted share, compared to $32.3 million, or $1.81 earnings per diluted share in the third quarter of 2024. Excluding non-recurring and non-core items in each period, the Company's third quarter 2025 non-GAAP net income and earnings per diluted share were $36.3 million and $2.08 compared to $34.0 million and $1.89, respectively, in the prior year. The increase in current quarter Non-GAAP earnings was primarily driven by an increase in net sales, partially offset by lower gross margins and an increase in selling, general and administrative expenses ("SG&A"). The Company's current quarter adjusted EBITDA was $82.9 million compared to $78.6 million in the third quarter of 2024, primarily driven by the increase in net sales and consistent operating margins. See the Non-GAAP Measures and Consolidated Operations Review sections of this Item below for additional details.

The Company's third quarter 2025 operating performance in each of its three reportable segments: (i) Americas; (ii) EMEA; and (iii) Asia/Pacific, reflects similar drivers to that of the Company's consolidated performance. Operating earnings for the EMEA and Asia/Pacific segments increased compared to the prior year quarter, primarily driven by an increase in net sales and further contribution from acquisitions, partially offset by lower segment operating margins in the Asia/Pacific segment. Operating earnings for the Americas segment decreased, as an increase in net sales was offset by a decrease in segment operating margins. Additional details of segment operating performance are provided in the Reportable Segments Review in the Operations section of this Item below.

Net cash flows provided by operating activities were $89.9 million in the first nine months of 2025 compared to $141.5 million in the first nine months of 2024. The lower operating cash flow year-over-year reflects lower operating performance, higher cash outflows from restructuring activities and higher outflows from working capital in the first nine months of 2025 compared to the first nine months of 2024. The key drivers of the Company's operating cash flow and working capital are further discussed in the Company's Liquidity and Capital Resources section of this Item below.

Overall, the Company's results in the third quarter of 2025 reflect an increase in sales volumes in all segments, driven by new business wins, despite a continuation of challenging end market conditions, and the Company's continued focus on delivering on its long-term financial and strategic initiatives.

On July 4, 2025, H.R. 1, commonly known as the One Big Beautiful Bill Act (the "OBBB"), was signed into law. This includes significant changes to the federal corporate tax provisions and extends certain otherwise expiring provisions of the 2017 Tax Cuts and Jobs Act. Among other things, the legislation restores 100% bonus depreciation for eligible property, reinstates expensing for domestic research and experimental expenditures, imposes new limitations on interest expense deductibility, and expands disallowed deductions for certain employee remuneration. The OBBB also includes provisions that could impact our international business and which are still being evaluated. ASU 2023-09 Income Taxes (Topic 740) requires the effects of changes in tax rates and laws on deferred tax balances to be recognized in the period in which the relevant legislation is enacted. The OBBB may affect the Company's tax assets and liabilities in future periods. The legislation has multiple effective dates, with certain provisions effective in 2025 and other provisions implemented through 2027. While the Company continues to evaluate the potential impacts of the provisions effective in 2026 and 2027, the Company does not expect the provisions effective in 2025 to have a material impact to our consolidated financial statements.

Critical Accounting Policies and Estimates

Our significant accounting policies are described in "Management's Discussion and Analysis" and "Note 1 – Significant Accounting Policies" to the Consolidated Financial Statements in our 2024 Form 10-K. There have been no material changes to the critical accounting policies and estimates disclosed in the 2024 Form 10-K.

Recently Issued Accounting Standards

See Note 3, *Recently Issued Accounting Standards*, to the Condensed Consolidated Financial Statements for a discussion regarding recently adopted accounting standards and recently issued accounting standards not yet adopted.

Liquidity and Capital Resources

We had cash and cash equivalents of $172.0 million and $188.9 million as of September 30, 2025 and December 31, 2024, respectively. Cash held by subsidiaries in foreign countries was approximately $164.9 million and $180.6 million at September 30, 2025 and December 31, 2024, respectively. The $16.9 million decrease in cash and cash equivalents was the net result of $193.0 million of cash used in investing activities, partially offset by $79.2 million of cash provided by financing activities, $89.9 million of cash provided by operating activities, and a $7.0 million favorable impact of foreign currency translation.

Net cash flows provided by operating activities were $89.9 million in the first nine months of 2025 compared to $141.5 million in the first nine months of 2024. The decrease in net operating cash flow year-over-year reflects lower operating performance in the first nine months of 2025 compared to 2024, higher outflows from restructuring activities, and an increase in net cash outflows from working capital, primarily due to lower inflows from the timing of collection of accounts receivable and higher outflows for the purchases of inventories.

Net cash flows used in investing activities were $193.0 million in the first nine months of 2025 compared to $55.8 million in the first nine months of 2024. The increase in cash used in investing activities year-over-year is primarily the result of $164.2 million of payments, net of cash acquired, in the current year related to the acquisitions of Chemical Solutions & Innovations (Pty) Ltd. ("CSI"), Dipsol Chemicals Co., Ltd., ("Dipsol") and Natech, Ltd., ("Natech") and a $14.3 million increase in payments related to capital expenditures. The prior year included $39.3 million of payments, net of cash acquired, related to the acquisitions of I.K.V. Tribologie IKVT and its subsidiaries ("IKV") and the Sutai Group ("Sutai"). See Note 2, *Business Acquisitions*, to the Condensed Consolidated Financial Statements for further information about business acquisitions.

Net cash flows provided by financing activities were $79.2 million in the first nine months of 2025 compared to $67.0 million cash used in financing activities in the first nine months of 2024. The increase in financing cash inflows is primarily driven by $168.9 million of net borrowings on the Company's revolving credit facility in the first nine months of 2025, a $138.4 million increase compared to the prior year, which the Company used for the purpose of funding the purchase price of the Dipsol acquisition as well as for other corporate purposes. In addition, during the first nine months of 2025, the Company made term loan debt payments of approximately $26.0 million, a $22.6 million decrease in payments compared to the prior year. This was offset by payments of approximately $36.5 million for repurchases of the Company's common stock under its share repurchase program in the current year, a $13.6 million increase compared to the prior year.

In June 2022, the Company, and its wholly owned subsidiary, Quaker Houghton B.V., as borrowers, Bank of America, N.A., as administrative agent, U.S. dollar swing line lender and letter of credit issuer, Bank of America Europe Designated Active Company, as Euro Swing Line Lender, certain guarantors and other lenders entered into an amendment to its primary credit facility. The amended credit facility (the "Credit Facility") established (A) a $150.0 million Euro equivalent senior secured term loan (the "Euro Term Loan"), (B) a $600.0 million senior secured term loan (the "U.S. Term Loan"), and (C) a $500.0 million senior secured revolving credit facility (the "Revolver"), each maturing in June 2027. The Company has the right to increase the amount of the Credit Facility by an aggregate amount not to exceed the greater of $300.0 million or 100% of Consolidated EBITDA, subject to certain conditions including the agreement to provide financing by any lender providing such increase. The Credit Facility contains affirmative and negative covenants, financial covenants and events of default. Financial covenants contained in the Credit Facility include a consolidated interest coverage ratio test and a consolidated net leverage ratio test. As of September 30, 2025, the Company was in compliance with all of the Credit Facility covenants. Refer to the description of the Company's primary Credit Facility in Note 19, *Debt*, to the Consolidated Financial Statements in its 2024 Form 10-K.

As of September 30, 2025 and December 31, 2024, the Company had Credit Facility borrowings outstanding of $863.4 million and $696.5 million, respectively. The Company's other debt obligations are primarily industrial development bonds, bank lines of credit and municipality-related loans, which totaled $11.8 million as of each of September 30, 2025 and December 31, 2024. Total unused capacity under these arrangements, excluding the Credit Facility, as of September 30, 2025 was approximately $57 million. The Company's total net debt as of September 30, 2025, which consists of total borrowings of $875.2 million less cash and cash equivalents of $172.0 million, was approximately $703.2 million.

The weighted average variable interest rate incurred on the outstanding borrowings under the Credit Facility during the three and nine months ended September 30, 2025 was approximately 5.2% for both periods. As of September 30, 2025, the interest rate on the outstanding borrowings under the Credit Facility was approximately 5.1%. As part of the Credit Facility, in addition to paying interest on outstanding principal, the Company is also required to pay an annual commitment fee ranging from 0.150% to 0.275% related to unutilized commitments under the Revolver, depending on the Company’s consolidated net leverage ratio. The Company had unused capacity under the Revolver of approximately $273 million, which is net of bank letters of credit of approximately $2 million, as of September 30, 2025.

In order to manage the Company’s exposure to variable interest rate risk associated with the Credit Facility, in the first quarter of 2023, the Company entered into $300.0 million notional amounts of three-year interest rate swaps to convert a portion of the Company’s variable rate borrowings into an average fixed rate obligation of 3.64% plus an applicable margin as provided in the Credit Facility based on the Company’s consolidated net leverage ratio. As of September 30, 2025, the aggregate interest rate on the swaps, including the fixed base rate plus the applicable margin, was 5.0%. See Note 17, *Hedging Activities*, to the Condensed Consolidated Financial Statements for further information.

The Company capitalized third-party and credit debt issuance costs attributed to the Euro Term Loan, U.S. Term Loan and Revolver during the second quarter of 2022. Capitalized costs attributed to the Euro Term Loan and U.S. Term Loan are recorded as a direct offset to Long-term debt on the Condensed Consolidated Balance Sheets. Capitalized costs attributed to the Revolver are recorded within Other assets on the Condensed Consolidated Balance Sheets. These capitalized costs are amortized into Interest expense over the five-year term of the Credit Facility. As of September 30, 2025 and December 31, 2024, the Company had $0.8 million and $1.1 million, respectively, of debt issuance costs recorded as a reduction of Long-term debt and $1.6 million and $2.4 million, respectively, of debt issuance costs recorded within Other assets.

The Company uses foreign exchange forward contracts to economically hedge the impact of the variability in exchange rates on certain foreign currency-denominated assets and liabilities. Additionally, in connection with the Dipsol acquisition, in March 2025, the Company entered into foreign exchange forward contracts with various financial institutions with an aggregate notional amount of $155.3 million to hedge the variability in U.S. dollar-Japanese yen exchange rates associated with the purchase price. These contracts settled on April 1, 2025 in connection with the Dipsol acquisition. During the first nine months of 2025 and 2024, the Company recognized $0.5 million of other income and $2.0 million of other expense, respectively, relating to changes in fair value of foreign exchange forward contracts. See Note 17, *Hedging Activities*, to the Condensed Consolidated Financial Statements for further information.

During 2022, the Company initiated a global cost and optimization program to improve its cost structure and drive a more profitable and productive organization. The Company has achieved its annualized cost savings goal from this program of at least $20 million. During the nine months ended September 30, 2025, the Company approved additional actions under the program, which are expected to generate approximately an additional $40.0 million of annualized cost savings. These actions are expected to be substantially complete by the end of 2026. The Company recognized restructuring and related charges of $31.1 million and $4.8 million for the nine months ended September 30, 2025 and 2024, respectively, under this program and for our facility closure actions. The Company made cash payments related to the settlement of restructuring liabilities under the program during the first nine months of 2025 of approximately $21.7 million compared to $6.4 million in the first nine months of 2024. The Company expects total one-time cash costs of this program to be approximately 1 to 1.5 times annualized savings. See Note 7, *Restructuring and Related Activities*, to the Condensed Consolidated Financial Statements for further information.

As of September 30, 2025, the Company’s gross liability for uncertain tax positions, including interest and penalties, was $17.7 million. The Company cannot determine a reliable estimate of the timing of cash flows related to its uncertain tax position liability. However, should the entire liability be paid, the amount of the payment may be reduced by up to $7.7 million as a result of offsetting benefits in other tax jurisdictions.

As previously disclosed, the Board of Directors of the Company has approved a share repurchase program (“2024 Share Repurchase Program”), authorizing the Company to repurchase up to an aggregate of $150 million of the Company’s outstanding common stock and replacing the prior share repurchase program. The 2024 Share Repurchase Program was effective immediately and has no expiration date. The Company made certain purchases under the 2024 Share Repurchase Program during the nine months ended September 30, 2025. See Item 2, *Unregistered Sales of Equity Securities, Use of Proceeds and Issuer Purchases of Equity Securities*, within Part II of this Report for further information.

The Company believes that its existing cash, anticipated cash flows from operations and available liquidity will be sufficient to support its operating requirements and fund its business objectives for at least the next twelve months, including but not limited to payments of dividends to shareholders, share repurchases, capital expenditures, other growth opportunities (including potential acquisitions), pension plan contributions, implementing actions to achieve the Company's sustainability goals and other potential known or anticipated contingencies. The Company also believes it has sufficient additional liquidity to support its operating requirements and to fund its business obligations for the period beyond the next twelve months, including the aforementioned items which are expected to recur annually, as well as future principal and interest payments on the Company's Credit Facility, tax obligations and other long-term liabilities. The Company's liquidity is affected by many factors, some based on normal operations of our business and others related to the impact of global events on our business and on global economic conditions as well as industry uncertainties, which we cannot predict. We also cannot predict economic conditions and industry downturns or the timing, strength or duration of recoveries. We may seek, as we believe appropriate, additional debt or equity financing that would provide capital for corporate purposes, working capital funding, additional liquidity needs or to fund future growth opportunities, including possible acquisitions and organic investments. The timing and amount of potential additional capital requirements cannot be determined at this time and will depend on a number of factors, including the actual and projected demand for our products, specialty chemical industry conditions, competitive factors, and the condition of financial markets, among others.

Operations

Consolidated Operations Review – Comparison of the Third Quarter of 2025 with the Third Quarter of 2024

The following table summarizes the sales variances by reportable segment and consolidated operations from the prior year:

	Sales volumes	Selling price & product mix	Foreign currency	Acquisition & other	Total
Americas	— %	(2)%	1 %	2 %	1 %
EMEA	1 %	1 %	3 %	2 %	7 %
Asia/Pacific	8 %	(5)%	1 %	14 %	18 %
Consolidated	3 %	(2)%	1 %	5 %	7 %

Net sales in the third quarter of 2025 were $493.8 million, an increase of 7% compared to $462.3 million in the third quarter of 2024. This increase was primarily driven by a contribution from acquisitions of approximately 5%, an increase in organic sales volumes of approximately 3%, and a favorable impact from foreign currency translation of approximately 1%, partially offset by a decline in selling price and product mix of approximately 2%. The increase in organic sales volumes compared to the prior year was primarily a result of continued growth in the Asia/Pacific segment and new business wins across all segments, helping to offset a continuation of soft end market conditions including the uncertainty caused by tariffs, particularly in the Americas and EMEA segments. The decrease in selling price and product mix was primarily attributable to the impact of the mix of products, services and geographies and the impact of our index-based customer contracts.

Cost of goods sold ("COGS") was $313.0 million in the third quarter of 2025 compared to $289.7 million in the third quarter of 2024, an increase of approximately $23.3 million, or 8%. The increase in COGS reflects an increase in spend on the increase in current year sales volumes and an increase in raw material costs and manufacturing costs. Additionally, COGS in the third quarter of 2025 includes a $0.7 million loss related to an out-of-period inventory adjustment.

Gross profit was $180.9 million in the third quarter of 2025 compared to $172.5 million in the third quarter of 2024, an increase of $8.4 million, or 5% primarily due to an increase in sales, an increase in raw material and manufacturing costs and a loss on an out-of-period inventory adjustment, as mentioned above. The Company's reported gross margin in the third quarter of 2025 was 36.6% compared to 37.3% in the third quarter of 2024. The Company's non-GAAP gross margin in the third quarter of 2025 was 36.8% compared to 37.3% in the third quarter of 2024. See the Non-GAAP Measures section of this Item below for additional details.

SG&A expense was $126.5 million in the third quarter of 2025 compared to $118.2 million in the third quarter of 2024, an increase of approximately $8.3 million, or 7%, primarily driven by an increase in SG&A expense related to acquisitions, partially offset by lower incentive compensation.

The Company incurred Restructuring and related charges of $7.7 million and $2.6 million during the third quarter of 2025 and 2024, respectively, primarily related to additional reductions in headcount and facility closure costs under the Company's restructuring program. See the Non-GAAP Measures section below and Note 7, *Restructuring and Related Activities*, to the Condensed Consolidated Financial Statements for additional information.

Operating income in the third quarter of 2025 was $46.6 million compared to $51.7 million in the third quarter of 2024. Excluding non-recurring and non-core expenses that are not indicative of the future operating performance of the Company described in the Non-GAAP Measures section of this Item below, the Company's non-GAAP operating income was $57.9 million in the third quarter of 2025 and $54.2 million in the third quarter of 2024. The increase was primarily due to an increase in net sales, partially offset by lower gross margins and higher SG&A, primarily related to acquisitions, as described above.

The Company had Other expense, net of $0.3 million in the third quarter of 2025 as compared to Other income, net of $0.8 million in the third quarter of 2024. Both the third quarter of 2025 and 2024 included foreign exchange transaction losses, which were $1.6 million higher in the current year, and income from non-income tax credits, which were $1.9 million higher in the current year. The third quarter of 2025 also included $0.6 million of interest income and a $0.9 million multiemployer plan withdrawal charge. The third quarter of 2024 included a $1.0 million business interruption insurance recovery.

Interest expense was $10.9 million in the third quarter of 2025 compared to $10.3 million in the third quarter of 2024, an increase of approximately $0.6 million, primarily as a result of higher outstanding borrowings, partially offset by decreases in interest rates.

The Company's effective tax rates for the third quarters of 2025 and 2024 were 26.2% and 28.9%, respectively. The Company's effective tax rate for the third quarter of 2025 was largely driven by our mix of pre-tax earnings and withholding taxes, offset by return to provision adjustments and net favorable reductions in uncertain tax positions. Comparatively, the effective tax rate for the third quarter of 2024 was largely driven by the mix of pre-tax earnings, withholding taxes, and changes in uncertain tax positions offset by return to provision adjustments. Excluding the impact of non-core items in each quarter, described in the Non-GAAP Measures section of this Item below, the Company estimates that its effective tax rates for the third quarters of 2025 and 2024 would have been approximately 28% and 29%, respectively. The Company may experience continued volatility in its effective tax rates due to several factors, including the timing of tax audits, the expiration of applicable statutes of limitations as they relate to uncertain tax positions, the unpredictability of timing and amount of certain incentives in various tax jurisdictions, and the timing and amount of certain share-based compensation-related tax benefits, among other factors. In addition, the foreign tax credit valuation allowance, or absence thereof, is based on a number of factors, including forecasted mix of earnings, which may vary.

Equity in net income of associated companies was $4.3 million in the third quarter of 2025 compared to $2.4 million in the third quarter of 2024, an increase of $1.9 million, primarily due to higher current year income from the Company's 32% investment in Primex, a captive insurance company and higher current year income from the Company's 50% equity interest in a joint venture in Korea.

Net income attributable to noncontrolling interest was less than $0.1 million in the third quarter of 2025 and 2024.

Consolidated Operations Review – Comparison of the First Nine Months of 2025 with the First Nine Months of 2024

The following table summarizes the sales variances by reportable segment and consolidated operations from the prior year:

	Sales volumes	Selling price & product mix	Foreign currency	Acquisition & other	Total
Americas	(2)%	— %	(2)%	2 %	(2)%
EMEA	(2)%	(3)%	3 %	3 %	1 %
Asia/Pacific	6 %	(4)%	(1)%	11 %	12 %
Consolidated	1 %	(2)%	(1)%	4 %	2 %

Net sales were $1,420.2 million in the first nine months of 2025 compared to $1,395.6 million in the first nine months of 2024. The net sales increase of $24.6 million, or 2%, year-over-year reflects contributions from acquisitions of approximately 4% and an increase in organic sales volumes of approximately 1%, partially offset by decreases in selling price and product mix of approximately 2% and unfavorable foreign currency of approximately 1%. The increase in organic sales volumes, which was led by the Asia/Pacific segment, was primarily a result of continued new business wins across all segments, offsetting a continuation of soft end market conditions including the uncertainty caused by tariffs, particularly in the Americas and EMEA segments. The decrease in selling price and product mix was primarily attributable to the impact of the mix of products, services and geographies and the impact of our index-based customer contracts.

COGS were $906.3 million in the first nine months of 2025 compared to $865.8 million in the first nine months of 2024. The increase in COGS of approximately $40.5 million, or 5%, reflects an increase in spend on the increase in current year sales volumes and an increase in global raw material costs and manufacturing costs. Additionally, COGS in the first nine months of 2025 includes $6.0 million amortization of the fair value step-up in Dipsol's inventories as a result of the Dipsol acquisition, which is partially offset by a $2.9 million gain related to an out-of-period inventory adjustment.

Gross profit was $513.8 million in the first nine months of 2025 compared to $529.8 million in the first nine months of 2024, a decrease of approximately $16.0 million, or 3%, primarily as a result of an increase in the Company's raw material costs and manufacturing costs, as well as the $6.0 million amortization of the fair value step-up in Dipsol's inventories as a result of the Dipsol acquisition, partially offset by an increase in net sales and a $2.9 million gain related to an out-of-period inventory adjustment. The Company's reported gross margin in the first nine months of 2025 was 36.2% compared to 38.0% in the first nine months of 2024. The Company's non-GAAP gross margin in the first nine months of 2025 was 36.4% compared to 38.0% in the first nine months of 2024. See the Non-GAAP Measures section of this Item below for additional details.

SG&A was $372.1 million in the first nine months of 2025 compared to $359.4 million in the first nine months of 2024, an increase of $12.7 million, or 4%, primarily driven by an increase in SG&A relating to acquisitions, partially offset by lower incentive compensation.

The Company incurred Restructuring and related charges of $31.1 million and $4.8 million during the first nine months of 2025 and 2024, respectively, related to additional reductions in headcount and facility closure costs under the Company's restructuring program. See the Non-GAAP Measures section of this Item, below.

During the second quarter of 2025, the Company recorded an $88.8 million non-cash impairment charge to write down the remaining value of goodwill associated with the Company's EMEA reportable segment. This non-cash impairment charge is the result of the Company's conclusion that the negative impacts of the lower than projected financial performance, driven by the continuation of soft end market conditions, as well as an increase in the Company's cost of capital, driven by uncertainty around the potential negative impacts of tariffs, represented a triggering event for the Company's EMEA reporting unit and the associated goodwill, as well as the related asset group. There were no similar impairment charges during the first nine months of 2024. See Note 13, *Goodwill and Other Intangible Assets*, to the Condensed Consolidated Financial Statements for additional information.

Operating income in the first nine months of 2025 was $21.8 million compared to $165.7 million in the first nine months of 2024. The decrease in operating income was primarily driven by the $88.8 million non-cash impairment charge described above. Excluding non-recurring and non-core expenses that are not indicative of the future operating performance of the Company described in the Non-GAAP Measures section of this Item, below, the Company's current year non-GAAP operating income decreased to $154.3 million for the first nine months of 2025 compared to $173.2 million in the prior year's first nine months primarily due to lower gross profit and an increase in SG&A.

The Company had Other expense, net of $1.6 million in the first nine months of 2025 compared to Other income, net of $2.3 million in the first nine months of 2024. The first nine months of 2025 and 2024 both included foreign exchange transaction losses, which were $5.0 million higher in the current year and income from non-income tax credits, which were $0.9 million lower in the current year. The first nine months of 2025 also included a $2.1 million net gain on disposals of property, $2.0 million of interest income and a multiemployer plan withdrawal charge of $0.9 million, whereas the first nine months of 2024 included a $0.9 million expense associated with a payment related to a customer product liability dispute and a $1.0 million business interruption insurance recovery. See the Non-GAAP Measures section of this Item, below.

Interest expense of $33.3 million increased $1.4 million in the first nine months of 2025 compared to $31.9 million in the first nine months of 2024 primarily as a result of higher outstanding borrowings, partially offset by decreases in interest rates.

The Company's effective tax rates for the first nine months of 2025 and 2024 were (169.5)% and 29.7%, respectively. The Company's effective tax rate for the nine months ended September 30, 2025 was largely driven by the mix of pre-tax earnings, goodwill impairment charges, and withholding taxes offset by return to provision adjustments and net favorable reductions in uncertain tax positions. Comparatively, the effective tax rate for the nine months ended September 30, 2024 were primarily impacted by the mix of pre-tax earnings, certain one-time charges related to an intercompany intangible asset transfer, and withholding taxes, offset by changes in uncertain tax positions and return to provision adjustments. Excluding the impact of non-core items in each period, described in the Non-GAAP Measures section of this Item, below, the Company estimates that its effective tax rates for the first nine months of 2025 and 2024 would have been approximately 28% in both periods. The Company expects continued volatility in its effective tax rates due to several factors, including the timing and scope of tax audits and the expiration of applicable statutes of limitations as they relate to uncertain tax positions, the unpredictability of the timing and amount of certain incentives in various tax jurisdictions, the treatment of certain acquisition-related costs and the timing and amount of certain share-based compensation-related tax benefits, among other factors. In addition, the foreign tax credit valuation allowance, or absence thereof, is based on a number of factors, including forecasted mix of earnings, which may vary.

Equity in net income of associated companies was $12.3 million in the first nine months of 2025 compared to $6.9 million in the first nine months of 2024. The increase of $5.4 million was primarily due to higher current year income from the Company's 50% equity interest in a joint venture in Korea and higher current year income from the Company's 32% investment in Primex, a captive insurance company.

Net income attributable to noncontrolling interest was less than $0.1 million in the first nine months of 2025 and 2024.

Reportable Segments Review - Comparison of the Third Quarter of 2025 with the Third Quarter of 2024

The Company's reportable segments reflect the structure of the Company's internal organization, the method by which the Company's resources are allocated and the manner by which the Chief Operating Decision Maker of the Company assesses performance. The Company has three reportable segments: (i) Americas; (ii) EMEA; and (iii) Asia/Pacific.

Segment operating earnings for each of the Company's reportable segments are comprised of the segment's net sales less directly related product costs and other operating expenses. Operating expenses not directly attributable to the net sales of each respective segment, such as certain corporate and administrative costs and restructuring charges, are not included in segment operating earnings. Other items not specifically identified with the Company's reportable segments include Interest expense and Other (expense) income, net.

Americas

Americas represented approximately 45% of the Company's consolidated net sales in the third quarter of 2025. This segment's net sales were $222.8 million, an increase of $2.5 million, or 1%, compared to the third quarter of 2024. This was driven by an increase in sales from the acquisition of Dipsol of approximately 2% and a favorable impact from foreign currency translation of approximately 1%, partially offset by a decrease in selling price and product mix of approximately 2%. The favorable foreign exchange impact was primarily due to the weakening of the U.S. dollar against the Mexican peso and Brazilian real. The decrease in selling price and product mix was primarily attributable to the impact of the mix of products, services and geographies and the impact of our index-based customer contracts. Sales volumes were consistent compared to the prior year and were primarily driven by new business wins despite a continuation of soft end market conditions further impacted by the uncertainty of tariffs, especially for metalworking applications. Segment operating earnings were $58.9 million, a decrease of $3.2 million, or 5%, compared to the third quarter of 2024, as an increase in net sales was partially offset by lower segment operating margins, primarily driven by lower gross margins for the segment.

EMEA

EMEA represented approximately 29% of the Company's consolidated net sales in the third quarter of 2025. This segment's net sales were $143.9 million, an increase of $9.8 million, or 7%, compared to the third quarter of 2024. This was driven by a favorable impact from foreign currency translation of approximately 3%, an increase in sales from the acquisitions of Dipsol, Natech and CSI of approximately 2%, an increase in organic sales volumes of approximately 1%, and an improvement in selling price and product mix of approximately 1%. The favorable foreign currency translation impact was primarily due to the weakening of the U.S. dollar against the Euro. The increase in organic sales volumes was primarily driven by new business wins, which helped offset a continuation of soft end market conditions, which were further impacted by the uncertainty of tariffs. The increase in selling price and product mix was primarily attributable to the impact of the mix of products, services and geographies and the impact of our index-based customer contracts. Segment operating earnings were $26.5 million, an increase of $1.8 million, or 7%, compared to the third quarter of 2024, primarily due to an increase in net sales.

Asia/Pacific

Asia/Pacific represented approximately 26% of the Company's consolidated net sales in the third quarter of 2025. This segment's net sales were $127.2 million, an increase of $19.3 million, or 18%, compared to the third quarter of 2024. This was driven by an increase in sales from the acquisition of Dipsol of approximately 14%, an increase in organic sales volumes of approximately 8%, and a favorable impact from foreign currency translation of approximately 1%, partially offset by a decrease in selling price and product mix of approximately 5%. The increase in organic sales volumes was primarily driven by new business wins despite a modest decrease in underlying market conditions. The favorable foreign currency translation impact was primarily due to the weakening of the U.S. dollar against the Chinese renminbi. The decrease in selling price and product mix was primarily attributable to the impact of the mix of products, services and geographies and the impact of our index-based customer contracts. Segment operating earnings were $35.6 million, an increase of $4.9 million, or 16%, compared to the third quarter of 2024, as an increase in net sales was partially offset by lower segment operating margins, primarily due to lower gross margins for the segment and higher SG&A, primarily related to acquisitions.

Reportable Segments Review - Comparison of the First Nine Months of 2025 with the First Nine Months of 2024

Americas

Americas represented approximately 46% of the Company's consolidated net sales in the first nine months of 2025. This segment's net sales were $657.6 million, a decrease of $16.0 million, or 2%, compared to the first nine months of 2024. This was driven by an unfavorable impact of foreign currency translation of approximately 2% and a decrease in organic sales volumes of approximately 2%, partially offset by an increase in sales from the acquisition of Dipsol of approximately 2%. The unfavorable foreign exchange impact was primarily due to the strengthening of the U.S. dollar against the Brazilian real and Mexican peso during the first nine months of 2025 compared to 2024. The decline in organic sales volumes was primarily driven by a continuation of soft market conditions and customer order patterns, partially offset by new business wins. The Americas segment's operating earnings were $176.4 million, a decrease of $16.7 million, or 9%, compared to the first nine months of 2024 primarily driven by lower net sales and lower segment operating margins, primarily due to lower gross margins for the segment.

EMEA

EMEA represented approximately 29% of the Company's consolidated net sales in the first nine months of 2025. This segment's net sales were $413.1 million, an increase of $2.5 million, or 1%, compared to the first nine months of 2024. This was a result of an increase in sales from acquisitions of Dipsol, Natech, CSI, and IKV of approximately 3% and a favorable foreign currency translation impact of approximately 3%, primarily due to the weakening of the U.S. dollar against the Euro, partially offset by a decrease in selling price and product mix of approximately 3% and a decrease in organic sales volumes of approximately 2%. The decrease in selling price and product mix was primarily attributable to the impact of the mix of products, services and geographies and the impact of our index-based customer contracts. The decline in sales volumes was primarily driven by softer market conditions, partially offset by continued new business wins. The EMEA segment's operating earnings were $74.9 million, a decrease of $6.0 million, or 7%, compared to the first nine months of 2024 as an increase in net sales was offset by lower segment operating margins, primarily due to lower gross margins for the segment and higher SG&A, primarily related to acquisitions.

Asia/Pacific

Asia/Pacific represented approximately 25% of the Company's consolidated net sales in the first nine months of 2025. This segment's net sales were $349.5 million, an increase of $38.0 million, or 12%, compared to the first nine months of 2024. This was driven by contributions from acquisitions of Dipsol and Sutai of approximately 11% and an increase in organic sales volumes of approximately 6%, partially offset by lower selling price and product mix of approximately 4% and an unfavorable impact of foreign currency translation of approximately 1%. The increase in organic sales volumes was primarily driven by new business wins coupled with a more favorable end market environment compared to the prior year period. The decrease in selling price and product mix was primarily attributable to the impact of the mix of products, services and geographies and the impact of our index-based customer contracts. The unfavorable foreign exchange impact was primarily due to the strengthening of the U.S. dollar against the Chinese renminbi. The Asia/Pacific segment's operating earnings were $90.2 million, a decrease of $1.8 million, or 2%, compared to the first nine months of 2024 as an increase in net sales was offset by lower segment operating margins, primarily due to lower gross margins for the segment and higher SG&A, primarily related to acquisitions.

Non-GAAP Measures

The information in this Form 10-Q includes non-GAAP (unaudited) financial information that includes EBITDA, adjusted EBITDA, adjusted EBITDA margin, non-GAAP operating income, non-GAAP operating margin, non-GAAP gross profit, non-GAAP gross margin, taxes on income before equity in net income of associated companies – adjusted, non-GAAP net income and non-GAAP earnings per diluted share. The Company believes these non-GAAP financial measures provide meaningful supplemental information as they enhance a reader's understanding of the financial performance of the Company, facilitate a comparison among fiscal periods, and exclude items that management believes are not indicative of future operating performance or considered core to the Company's operations. Non-GAAP results are presented for supplemental informational purposes only and should not be considered a substitute for the financial information presented in accordance with GAAP. In addition, our definitions of EBITDA, adjusted EBITDA, adjusted EBITDA margin, non-GAAP operating income, non-GAAP operating margin, non-GAAP gross profit, non-GAAP gross margin, taxes on income before equity in net income of associated companies – adjusted, non-GAAP net income, and non-GAAP earnings per diluted share, as discussed and reconciled below to the most comparable GAAP measures, may not be comparable to similarly named measures reported by other companies.

The Company presents EBITDA, which is calculated as net income attributable to the Company before depreciation and amortization, interest expense, and taxes on income before equity in net income of associated companies. The Company also presents adjusted EBITDA which is calculated as EBITDA plus or minus certain items that management believes are not indicative of future operating performance or considered core to the Company's operations. The Company presents non-GAAP operating income, which is calculated as operating income plus or minus certain items that are not considered indicative of future operating performance or considered core to the Company's operations. Additionally, the Company presents non-GAAP gross profit, which is calculated as gross profit plus or minus certain items that management believes are not considered indicative of future operating performance or considered core to the Company's operations. Adjusted EBITDA margin, non-GAAP operating margin, and non-GAAP gross margin are calculated as the percentage of adjusted EBITDA, non-GAAP operating income, and non-GAAP gross profit to consolidated net sales, respectively. The Company believes these non-GAAP measures provide transparent and useful information and are widely used by analysts, investors, and competitors in our industry as well as by management in assessing the operating performance of the Company on a consistent basis.

Additionally, the Company presents non-GAAP net income and non-GAAP earnings per diluted share as additional performance measures. Non-GAAP net income is calculated as adjusted EBITDA, defined above, less depreciation and amortization, interest expense, and taxes on income before equity in net income of associated companies, in each case adjusted, as applicable, for any depreciation, amortization, interest or tax impacts resulting from the non-core items identified in the reconciliation of net income attributable to the Company to adjusted EBITDA. Non-GAAP earnings per diluted share is calculated as non-GAAP net income per diluted share as accounted for under the "two-class share method." The Company believes that non-GAAP net income and non-GAAP earnings per diluted share provide transparent and useful information and are widely used by analysts, investors, and competitors in our industry as well as by management in assessing the performance of the Company on a consistent basis.

Certain of the prior period non-GAAP financial measures presented in the following tables have been adjusted to conform with current period presentation. The following tables reconcile the Company's non-GAAP financial measures (unaudited) to their most directly comparable GAAP (unaudited) financial measures (dollars in thousands unless otherwise noted, except per share amounts):

Non-GAAP Gross Profit and Margin Reconciliations	**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2025	**2024**	**2025**	**2024**
Gross profit	$ 180,865	$ 172,549	$ 513,848	$ 529,830
Acquisition-related step-up inventory amortization (a)	—	—	6,022	—
Loss (gain) on inventory and other adjustments (d)	671	—	(2,933)	—
Non-GAAP gross profit	$ 181,536	$ 172,549	$ 516,937	$ 529,830
Non-GAAP gross margin (%) (u)	36.8 %	37.3 %	36.4 %	38.0 %

Non-GAAP Operating Income and Margin Reconciliations	**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2025	**2024**	**2025**	**2024**
Operating income	$ 46,641	$ 51,718	$ 21,755	$ 165,693
Acquisition-related step-up inventory amortization (a)	—	—	6,022	—
Restructuring and related charges, net (b)	7,745	2,610	31,128	4,787
Acquisition-related expenses (c)	642	381	4,775	898
Loss (gain) on inventory and other adjustments (d)	671	—	(3,256)	—
Customer insolvency costs (i)	—	—	—	1,522
Impairment charges (n)	—	—	88,840	—
Acquisition-related depreciation and amortization (r)	1,656	—	3,337	—
Other charges (credits) (f)	530	(519)	1,695	347
Non-GAAP operating income	$ 57,885	$ 54,190	$ 154,296	$ 173,247
Non-GAAP operating margin (%) (u)	11.7 %	11.7 %	10.9 %	12.4 %

EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin and Non-GAAP Net Income Reconciliations	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income (loss) attributable to Quaker Chemical Corporation	$ 30,469	$ 32,346	$ (23,189)	$ 102,458
Depreciation and amortization (s)	24,436	21,423	69,187	63,907
Interest expense	10,941	10,347	33,265	31,925
Taxes on income before equity in net income of associated companies (t)	9,266	12,167	22,280	40,453
EBITDA	75,112	76,283	101,543	238,743
Equity income in a captive insurance company (g)	(1,691)	(285)	(4,437)	(1,266)
Acquisition-related step-up inventory amortization (a)	—	—	6,022	—
Restructuring and related charges, net (b)	7,745	2,610	31,128	4,787
Acquisition-related expenses (c)	642	381	4,775	898
Loss (gain) on inventory and other adjustments (d)	671	—	(3,256)	—
Pension and postretirement benefit costs, non-service components (e)	469	469	1,351	1,398
Customer insolvency costs (i)	—	—	—	1,522
Impairment charges (n)	—	—	88,840	—
Product liability claim costs, net (j)	—	—	—	896
Business interruption insurance proceeds (k)	—	(1,000)	—	(1,000)
Currency conversion impacts of hyper-inflationary economies (h)	886	624	2,073	333
Loss on acquisition-related hedges (l)	—	—	1,351	—
Gain on sale of assets (m)	—	—	(2,534)	—
Multiemployer plan withdrawal charge (o)	923	—	923	—
Brazilian non-income tax credits (p)	(1,762)	—	(1,762)	—
Other charges (credits) (f)	(144)	(520)	1,360	(176)
Adjusted EBITDA	$ 82,851	$ 78,562	$ 227,377	$ 246,135
Adjusted EBITDA margin (%) (u)	16.8 %	17.0 %	16.0 %	17.6 %
Adjusted EBITDA	$ 82,851	$ 78,562	$ 227,377	$ 246,135
Less: Depreciation and amortization (s)	24,436	21,423	69,187	63,907
Less: Interest expense	10,941	10,347	33,265	31,925
Less: Taxes on income before equity in net income of associated companies - adjusted (t)	12,860	12,811	33,964	40,417
Plus: Acquisition-related depreciation and amortization (r)	1,656	—	3,337	—
Non-GAAP net income	$ 36,270	$ 33,981	$ 94,298	$ 109,886

Non-GAAP Earnings per Diluted Share Reconciliations	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
GAAP earnings (loss) per diluted share attributable to Quaker Chemical Corporation common shareholders	$ 1.75	$ 1.81	$ (1.32)	$ 5.70
Equity income in a captive insurance company (g)	(0.10)	(0.02)	(0.25)	(0.07)
Acquisition-related step-up inventory amortization (a)	—	—	0.25	—
Restructuring and related charges, net (b)	0.30	0.11	1.31	0.20
Acquisition-related expenses (c)	0.02	0.02	0.21	0.04
Loss (gain) on inventory and other adjustments (d)	0.02	—	(0.14)	—
Pension and postretirement benefit costs, non-service components (e)	0.02	0.02	0.06	0.06
Customer insolvency costs (i)	—	—	—	0.06
Impairment charges (n)	—	—	4.91	—
Product liability claim costs, net (j)	—	—	—	0.04
Business interruption insurance proceeds (k)	—	(0.04)	—	(0.04)
Currency conversion impacts of hyper-inflationary economies (h)	0.05	0.04	0.12	0.02
Loss on acquisition-related hedges (l)	—	—	0.06	—
Gain on sale of assets (m)	—	—	(0.11)	—
Multiemployer plan withdrawal charge (o)	0.04	—	0.04	—
Brazilian non-income tax credits (p)	(0.08)	—	(0.08)	—
Other charges (credits) (f)	0.02	(0.03)	0.07	(0.01)
Discrete tax items (q)	(0.02)	(0.02)	0.11	0.11
Acquisition-related depreciation and amortization (r)	0.06	—	0.13	—
Non-GAAP earnings per diluted share (v)	$ 2.08	$ 1.89	$ 5.37	$ 6.11

(a) Acquisition-related step-up inventory amortization represents the amortization of the fair value step-up in Dipsol's inventories as a result of the acquisition which is recorded within Cost of goods sold in the Company's Condensed Consolidated Statements of Operations. See Note 2, *Business Acquisitions*, to the Condensed Consolidated Financial Statements for additional information.

(b) Restructuring and related charges, net represent the costs incurred by the Company associated with the Company's restructuring program and facility closures. See Note 7, *Restructuring and Related Activities*, to the Condensed Consolidated Financial Statements for additional information.

(c) Acquisition-related expenses include expenses associated with the Company's recent and potential acquisitions, including legal, financial, consulting and other costs.

(d) Loss (gain) on inventory and other adjustments represents immaterial out-of-period adjustments for inventory and other items and is recorded within Cost of goods sold and SG&A in the Company's Condensed Consolidated Statements of Operations.

(e) Pension and postretirement benefit costs, non-service components represents the pre-tax, non-service components of the Company's pension and postretirement net periodic benefit cost in each period. See Note 9 – *Pension and Other Postretirement Benefits,* and Note 10, *Other (expense) income, net,* to the Condensed Consolidated Financial Statements for additional information.

(f) Other charges (credits) include professional fees incurred in connection with tax audits, certain consultant and advisory expenses for the Company's long-term strategic planning, and other items.

(g) Equity income in a captive insurance company represents the after-tax income attributable to the Company's interest in Primex, Ltd. ("Primex"), a captive insurance company. The Company holds a 32% investment in and has significant influence over Primex, and therefore accounts for this interest under the equity method of accounting.

(h) Currency conversion impacts of hyper-inflationary economies represents the foreign currency remeasurement impacts associated with the Company's affiliates in Argentina and Türkiye whose local economies are designated as hyper-inflationary under U.S. GAAP. These pre-tax foreign currency remeasurement impacts are not deductible for tax purposes for both the three and nine months ended September 30, 2025 and 2024. The charges incurred relate to the immediate recognition of foreign currency remeasurement in the Condensed Consolidated Statements of Operations.

(i) Customer insolvency costs represent charges associated with a specific reserve for trade accounts receivable within the Company's EMEA reportable segment related to a specific customer that filed for bankruptcy protection.

(j) Product liability claim costs, net represents an expense related to the payment by the Company in connection with a product liability dispute with a customer, net of insurance recoveries. See Note 10, *Other (expense) income, net,* to the Condensed Consolidated Financial Statements for additional information.

(k) Business interruption insurance proceeds reflects an insurance claim settlement receipt for the three and nine months ended September 30, 2024 related to production losses due to an electrical fire in 2021 that resulted in the temporary shutdown of production at one of the Company's production facilities. See Note 18, *Commitments and Contingencies,* to the Condensed Consolidated Financial Statements for additional information.

(l) Loss on acquisition-related hedges represents the mark-to-market and settlement of the foreign exchange forward contracts entered into March 2025 for an aggregate notional amount totaling $155.3 million to hedge the variability of exchange rate impacts between the U.S. Dollar and Japanese yen in connection with the acquisition of Dipsol. See Note 2, *Business Acquisitions*, and Note 17, *Hedging Activities*, to the Condensed Consolidated Financial Statements for additional information.

(m) Gain on sale of assets represents the gain recognized on the sale of certain property previously classified as held for sale and gain on sale of other assets that are not considered core to the Company's operations. See Note 7, *Restructuring and Related Activities*, to the Condensed Consolidated Financial Statements for additional information.

(n) Impairment charges represents the non-cash charge taken to write down the remaining carrying value of goodwill in the EMEA reportable segment during the second quarter of 2025. See Note 13, *Goodwill and Other Intangible Assets,* to the Condensed Consolidated Financial Statements for additional information.

(o) Multiemployer plan withdrawal charge represents the expense related to the Company withdrawing from the Cleveland Bakers and Teamsters Pension Fund, a multiemployer defined benefit pension plan, in connection with a site closure under the Company's restructuring program and facility closure actions. See Note 7*, Restructuring and Related Activities,* and Note 10, *Other (expense) income, net*, to the Condensed Consolidated Financial Statements for additional information.

(p) Brazilian non-income tax credits represents indirect tax credits and interest related to the Brazil Supreme Court ruling in regard to certain non-income (indirect) taxes that have been previously charged and paid. See Note 10, *Other (expense) income, net*, to the Condensed Consolidated Financial Statements for additional information.

(q) Discrete tax items include certain impacts of uncertain tax positions. See Note 11, *Income Taxes*, to the Condensed Consolidated Financial Statements for more information.

(r) Acquisition-related depreciation and amortization represents amortization expense recorded for definite-lived intangible assets in connection with the Dipsol and Natech acquisitions and depreciation expense recorded in connection with the fair value step-up of Dipsol's property, plant, and equipment. See Note 2, *Business Acquisitions*, and Note 13, *Goodwill and Other Intangible Assets*, for more information.

(s) Depreciation and amortization for the three and nine months ended September 30, 2025 and 2024 each includes approximately $0.2 million and $0.7 million, respectively, of amortization expense recorded within equity in net income of associated companies in the Company's Condensed Consolidated Statements of Operations. This is attributable to the amortization of the fair value purchase accounting step-up in connection with the acquisition of the Company's 50% equity interest in Korea Houghton Corporation.

(t) Taxes on income before equity in net income of associated companies – adjusted presents the impact of any current and deferred income tax expense (benefit), as applicable, of the reconciling items presented in the reconciliation of net income attributable to Quaker Chemical Corporation to adjusted EBITDA and was determined utilizing the applicable rates in the taxing jurisdictions in which the adjustments occurred, subject to deductibility. This caption also includes the impact of specific tax charges and benefits for the three and nine months ended September 30, 2025 and 2024.

(u) The Company calculates adjusted EBITDA margin, non-GAAP operating margin, and non-GAAP gross margin as the percentage of adjusted EBITDA, non-GAAP operating income, and non-GAAP gross profit to consolidated net sales.

(v) In each given period, the Company calculates non-GAAP earnings per diluted share as non-GAAP net income attributable to the Company per weighted average diluted shares outstanding using the "two-class share method".

Off-Balance Sheet Arrangements

The Company's off-balance sheet items outstanding as of September 30, 2025 include approximately $7 million of bank letters of credit and guarantees. The bank letters of credit and guarantees are not significant to the Company's liquidity or capital resources.

Factors That May Affect Our Future Results

Certain information included in this Report and other materials filed or to be filed by us with the SEC, as well as information included in oral statements or other written statements made or to be made by us, contain or may contain forward-looking statements that fall under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and the Securities Act of 1933, as amended. These statements can be identified by the fact that they do not relate strictly to historical or current facts and can generally be identified by words such as "may," "could," "should," "would," "believe," "expect," "anticipate," "estimate," "intend," "outlook," "target," "possible," "potential," "plan" or similar expressions, but these terms are not the exclusive means of identifying such statements. Such statements include information relating to current and future business activities, operational matters, capital spending, and financing sources. We have based these forward-looking statements on assumptions, projections and expectations about future events that we believe are reasonable based on currently available information, including statements regarding the potential effects of economic downturns, tariffs, including retaliatory tariffs, "trade wars" and uncertainty surrounding changes in tariffs, inflation, and global supply chain constraints on the Company's business, results of operations, and financial condition; our expectation that we will maintain sufficient liquidity and remain in compliance with the terms of the Company's credit facility; expectations about future demand and raw material costs; and statements regarding the impact of increased raw material costs and pricing initiatives.

These forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, intentions, financial condition, results of operations, future performance, and business, which may differ materially from expectations, estimates and projections of many factors, including, but not limited to:

- the timing and extent of the impacts on our business from acts of war, terrorism and military conflicts, including those in Ukraine and the Middle East, as well as related economic, political and governmental actions taken by various governments and governmental organizations in response;
- inflationary pressures, increases in raw material costs, supply chain constraints and other impacts of economic downturns, as well as high interest rates and their impact on our and our customers' business operations;
- the potential timing, impacts, benefits and other uncertainties of acquisitions and divestitures, including our ability to finance any acquisition on commercially reasonable terms or to realize synergies, integrate acquisitions and acquired businesses or separate divested assets and businesses;
- broader macroeconomic factors, including potential for changes in global and regional economic conditions, the possibility of global or regional slowdowns or recessions, other macroeconomic stresses and uncertainties, including potential impacts related to the recent actions of the federal government and responses thereto, as well as other political and geopolitical events, civil disturbances and endemics/pandemics or extreme weather events and other natural disasters that may adversely affect regional economic conditions and housing market;
- U.S. political conditions and legislative and regulatory activity (or inactivity), including adoption of (or failure to adopt) new laws, regulations and executive orders, changes in existing laws, regulations and executive orders or the way they are interpreted or applied, and adoption of laws, regulations or executive orders that conflict among jurisdictions in which we operate; and
- our future results and plans including our sustainability goals and enterprise strategy.

A major risk is that demand for the Company's products and services is largely derived from the demand for our customers' products, which subjects the Company to uncertainties related to downturns in a customer's business and unanticipated customer production slowdowns and shutdowns.

Other major risks and uncertainties include, but are not limited to, legislative and regulatory developments including changes to existing laws and regulations, or the way they are interpreted, applied or enforced; tariffs, trade restrictions and the economic and other sanctions imposed by other nations on Russia and Belarus and/or other governments or government organizations; suspensions of activities in Russia by many multinational companies; foreign currency fluctuations; significant changes in applicable tax rates and regulations and the potential impacts therefrom, including those arising from H.R.1, commonly known as the "One Big Beautiful Bill Act"; future terrorist attacks and other acts of violence; the impacts of consolidation in our industry, including loss or consolidation of a major customer; the effects of climate change, fires or other natural disasters; and the potential occurrence of cyber-security breaches, cyber-security attacks, and other technology outages and security incidents. Furthermore, the Company is subject to the same business cycles as those experienced by our customers in the steel, automotive, aerospace, industrial equipment, aluminum, and durable goods industries.

Any or all of the forward-looking statements in this Report, in the Company's 2024 Form 10-K and in any other public statements we make may prove to be incorrect due to inaccurate assumptions or unforeseen risks and uncertainties. In addition to the factors above, our forward-looking statements are qualified with respect to the risks disclosed elsewhere in this Report, including Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations. These risks, uncertainties, and possible inaccurate assumptions relevant to our business could materially impact our future performance and cause our actual results to differ materially from expected and historical results. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. However, additional disclosures on related subjects can be found in the Company's subsequent reports on Forms 10-K, 10-Q, 8-K and other related filings. We caution you not to place undue reliance on our forward-looking statements.

Quaker Houghton on the Internet

Financial results, news and other information about Quaker Houghton can be accessed from the Company's website at https://www.quakerhoughton.com. This site includes important information on the Company's locations, products and services, financial reports, news releases and career opportunities. The Company's periodic and current reports on Forms 10-K, 10-Q, 8-K, and other filings, including exhibits and supplemental schedules filed therewith, and amendments to those reports, filed with the SEC are available on the Company's website, free of charge, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. Information contained on, or that may be accessed through, the Company's website is not incorporated by reference in this Report and, accordingly, you should not consider that information part of this Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We have evaluated the information required under this Item that was disclosed in Part II, Item 7A, of our Annual Report on Form 10-K for the year ended December 31, 2024, and we believe there has been no material change to that information.

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures. As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our management, including our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this Report. Based on that evaluation, our principal executive officer and our principal financial officer have concluded that, as of September 30, 2025, the end of the period covered by this Report, our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) were effective.

Changes in internal control over financial reporting. As required by Rule 13a-15(d) under the Exchange Act, our management, including our principal executive officer and principal financial officer, has evaluated our internal control over financial reporting to determine whether any changes to our internal control over financial reporting occurred during the quarter ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on that evaluation, there were no changes that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting during the quarter ended September 30, 2025.

PART II.

OTHER INFORMATION

Items 3 and 4 of Part II are inapplicable and have been omitted.

Item 1. Legal Proceedings.

Incorporated by reference is the information in Note 18, *Commitments and Contingencies*, to the Condensed Consolidated Financial Statements in Part I, Item 1, of this Report.

Item 1A. Risk Factors.

The Company's business, financial condition, results of operations and cash flows are subject to various risks that could cause actual results to vary materially from recent results or from anticipated future results. In addition to the other information set forth in this Report, you should carefully consider the risk factors previously disclosed in Part I, Item 1A of the Company's 2024 Form 10-K. There have been no material changes to the risk factors described therein. However, the primary and secondary impacts of recent government actions including tariffs and trade policies, have impacted the global economy, disrupted global supply chains, created significant uncertainty and volatility in financial markets, and increased the risk of recession and elevated unemployment levels, and those conditions could continue or worsen. Accordingly, these actions and their impact on, among other things, the macroeconomic environment and regulatory policies could exacerbate the other risks and uncertainties set forth in "Item 1A. Risk Factors" in our 2024 10-K and could negatively impact our businesses and financial results.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds and Issuer Purchases of Equity Securities.

The following table sets forth information concerning shares of the Company's common stock acquired by the Company during the period covered by this Report:

Period	(a) Total Number of Shares Purchased (1)(2)	(b) Average Price Paid Per Share (1)(2)	(c) Total Number of Shares Purchased as part of Publicly Announced Plans or Programs (2)	(d) Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs (2)
July 1 - July 31	221	$ 119.31	—	$ 68,065,837
August 1 - August 31	22,264	$ 126.70	21,455	$ 65,349,000
September 1 - September 30	8,474	$ 130.58	8,336	$ 64,262,315
Total	30,959	$ 127.71	29,791	$ 64,262,315

(1) 1,168 of these shares were acquired from employees related to the surrender of Quaker Chemical Corporation shares in payment of the vesting of restricted stock awards or units. The price paid for shares acquired from employees pursuant to employee benefit and share-based compensation plans is based on the closing price of the Company's common stock on the date of vesting as specified by the plan pursuant to which the applicable option, restricted stock award, or restricted stock unit was granted.

(2) On February 28, 2024, the Board of Directors of the Company approved, and the Company announced, a share repurchase program, pursuant to which the Company is authorized to repurchase up to $150 million of Quaker Chemical Corporation common stock (the "2024 Share Repurchase Program"), which replaced the prior authorization and has no expiration date. The number of shares to be repurchased and the timing of such transactions will depend on a variety of factors, including market conditions.

Limitation on the Payment of Dividends

The Credit Facility has certain limitations on the payment of dividends and other so-called restricted payment covenants. See Note 14, *Debt*, to the Condensed Consolidated Financial Statements, in Part I, Item 1, of this Report.

Item 5. Other Information.

Insider Trading Arrangements and Policies

No director or officer (as defined in Rule 16a-1(f) promulgated under the Exchange Act) of the Company adopted or terminated any Rule 10b5-1 trading arrangement or any non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K) during the quarter ended September 30, 2025.

Item 6. Exhibits.

(a) Exhibits

3.1	–	Amended and Restated Articles of Incorporation (as amended through July 24, 2019). Incorporated by reference to Exhibit 3.1 as filed by the Registrant with its quarterly report on Form 10-Q filed on August 1, 2019.
3.2	–	Amended and Restated By-laws (effective December 19, 2022). Incorporated by reference to Exhibit 3.1 as filed by the Registrant within its current report on Form 8-K on December 20, 2022.
10.1	–	Employment Agreement by and between Registrant and Steven Dassing, as amended July 21, 2025.*†^
31.1	–	Certification of Chief Executive Officer of the Company pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.*
31.2	–	Certification of Chief Financial Officer of the Company pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.*
32.1	–	Certification of Chief Executive Officer of the Company Pursuant to 18 U.S. C. Section 1350.**
32.2	–	Certification of Chief Financial Officer of the Company Pursuant to 18 U.S. C. Section 1350.**
101.INS	–	Inline XBRL Instance Document*
101.SCH	–	Inline XBRL Taxonomy Schema Document*
101.CAL	–	Inline XBRL Taxonomy Calculation Linkbase Document*
101.DEF	–	Inline XBRL Taxonomy Definition Linkbase Document*
101.LAB	–	Inline XBRL Taxonomy Label Linkbase Document*
101.PRE	–	Inline XBRL Taxonomy Presentation Linkbase Document*
104	–	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101.INS)*

* Filed herewith.

** Furnished herewith.

† Management contract or compensatory plan.

^ Certain portions of the exhibits that are not material and are of the type Quaker Houghton treats as confidential have been redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K. Copies of the unredacted exhibits will be furnished to the SEC upon request.

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Table of Content

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

QUAKER CHEMICAL CORPORATION

(Registrant)

/s/ Thomas Coler

Date: October 30, 2025

Thomas Coler, Executive Vice President, Chief Financial Officer (officer duly authorized on behalf of, and principal financial officer of, the Registrant)

EXHIBIT 10.1

July 18, 2025

Steven Dassing Via Email

Dear Steve:

Further to our discussions, in recognition of your on-going responsibilities as VP and Corporate Controller and assuming the responsibility of Quaker Houghton's principle accounting officer, I am pleased to confirm your adjusted salary effective July 20, 2025. Your new base salary will be bi-weekly in the amount of $11,538.47 for an annualized salary of $300,000.22. You will be eligible for your next merit increase in 2026, reflective of performance year 2025.

Annual Incentive Plan

You will continue to be eligible to participate in the 2025 Annual Incentive Plan (AIP) with your annual target remaining 35% of your base salary. This bonus is adjusted for annual company and individual performance. You will be eligible for your next annual cash bonus payment in 2026, based on performance year 2025 results. All incentive compensation awards are made at the company's discretion and are subject to change and require the approval of the Compensation and Human Resources Committee of the Board of Directors.

The terms and conditions of your employment as they existed on your original hire date remain in effect, except as specifically set forth above and in restrictions from what you signed previously. Quaker Houghton reserves the right to modify your job title, duties, and compensation, as well as all company rules, practices, and other terms of employment.

With your expanded responsibilities you will report directly to me. I look forward to our continued work together. After your review, please sign below to confirm your acceptance of this offer and return to Michelle Carter by no later than **TWO BUSINESS DAYS** from receipt of this offer. You may contact Michelle Carter or me with any questions.

Sincerely,

/s/ TOM COLER

Tom Coler

EVP, Chief Financial Officer

Employee Offer Acceptance

I accept the terms and conditions outlined above:

/s/ STEVEN DASSING 7/21/2025

Steven Dassing Date

May 16, 2022

Steven Dassing
[REDACTED]
[REDACTED]

Dear Steven:

Congratulations! I am pleased to offer you the opportunity to join Quaker Houghton in the position of Corporate Controller located in Conshohocken, PA. Your tentative start date is May 31, 2022.

This is an extremely exciting time of growth and opportunity for our company! In August 2019 we combined the two outstanding legacies of Quaker Chemical and Houghton International into a business that is the global leader in industrial process fluids.

Salary

Your salary will be payable on a bi-weekly basis at the rate of $8,269.24, which is annualized at $215,000.24. Since this position is classified as Exempt, you will not be eligible for overtime pay. You will be eligible for your first merit increase in 2023, reflective of performance year 2022.

Annual Incentive Plan

Quaker Houghton provides a comprehensive variable performance pay system. You are eligible to participate in the 2022 Annual Incentive Plan (AIP). Your annual target is 25% of your base salary. This bonus is adjusted for annual company performance and is prorated for your first year in the program. You will be eligible for your first annual cash bonus payment in 2023, based on performance year 2022 results. All incentive compensation awards are made at the company's discretion and are subject to change, and require the approval of Quaker Houghton and Management Development Committee of the Board of Directors. More information about this program will be reviewed with you by your manager.

Annual Long Term Incentive Program

You will be eligible to receive the 2022 Annual Long Term Incentive Plan award based on Company performance and Committee approval. You will receive additional information once the plan and award levels are approved by the Compensation Committee and Board of Directors. More information about this program will be sent to you from our Legal department.

Sign-On Bonus

You are being offered a sign-on bonus in the amount of $50,000.00, less applicable payroll taxes. The sign-on bonus will be paid in the first available payroll after your start date. In the event that you either voluntarily leave your employment or are dismissed for cause within the first twelve (12) months following your start date, you acknowledge and agree that you have an obligation to repay the sign-on bonus monies you have received. Please review and sign the attached Sign On Bonus Acknowledgement.

Benefits

Quaker Houghton offers a Flexible Benefits Program which gives you the opportunity to choose from a variety of options creating a customized benefits package. Eligibility begins on the first of the month following your date of hire. Medical, dental, life and disability insurance coverages are offered as well as several voluntary plans. Quaker Houghton reserves the right to self-insure or insure its health care plans, to eliminate or modify the benefits it offers, and to change employee contribution amounts from time to time.

On or about your first day of employment, you will receive an email with information regarding how to access the Quaker Houghton-ADP Portal where you will enroll in Quaker Houghton benefit plans.

In addition to these flexible benefits, Quaker Houghton also offers a 401(k) Retirement Savings Plan. In the next few weeks, you will receive an enrollment letter from Vanguard, which will describe the process to enroll in the 401(k) Retirement Savings Plan, as well as our automatic 401(k) enrollment process. You can save up to 75% of your before-tax or after-tax pay (Roth), up to the IRS annual limit. Quaker Houghton will match 50% of your savings up to 6% of pay with immediate vesting. To maximize the match, contribute a minimum of 6% to your 401(k), which will provide a 3% match.

You will automatically be enrolled in the 401(k) at a 6% deferral rate approximately 30 days after your hire date. Your deferral rate will automatically increase annually by 1% up to 10%. You can opt out or change your contribution online at vanguard.com or by calling Vanguard Participant Services at 800-523-1188.

In addition to your 401(k) contributions and the Quaker Houghton match, after you complete one year of service, Quaker Houghton will automatically make non-elective contributions to your account equal to 3% of your eligible compensation. You will receive this contribution even if you do not make deferral contributions to the 401(k) Plan.

Paid Time Off/Holidays

As a new employee with Quaker Houghton, you are eligible for seventeen (17) days of Paid Time Off (PTO) and two (2) Floating Holidays per calendar year. Based on your start date of May 31, 2022, your PTO days are prorated to ten (10) days and your Floating Holidays to two (2) days for calendar year 2022. In addition, you are eligible for all remaining company paid holidays for the calendar year 2022.

Dress Code

Please note that in general, Quaker Houghton has a Business Casual Dress policy. Your manager will review your location-specific dress code with you.

Non-Smoking Policy

Please note that Quaker Houghton is a non-smoking company that does not allow associates to smoke in any of its facilities.

Exclusivity

You hereby undertake to work exclusively for Quaker Houghton and its subsidiaries. Furthermore, it is a condition of employment that you sign the attached Confidentiality & Non-Competition Agreement, the terms of which are incorporated herein and form an essential part of this offer. It contains restrictive covenants, some of which may continue after employment with Quaker Houghton. Accordingly, you should carefully review the agreement and, if you desire, consult with an attorney.

Pre-Employment Testing Requirements

This offer is contingent upon satisfactory results of a pre-employment background check, drug screening You will have three (3) business days from the time you receive Instructions from our vendor to obtain your pre-employment drug screening Failure to do so may result in rescinding of this offer.

In addition to the pre-employment testing, you may be required to participate in random drug and/or alcohol testing as part of the safety program at your assigned work location. Failure to participate in such a testing program, or failure to successfully pass such a test, will be cause for termination.

This offer of employment is extended through May 16, 2022. The offer Is contingent upon your successful completion of all pre-employment checks which may include but is not limited to a background investigation, education verification, employment verification, physical, and drug screening. This offer is also contingent upon your producing documents for the company's inspection that are sufficient to establish your employment eligibility in the United States prior to the commencement of your employment as required by law

Steven, this is an exciting time in the life of Quaker Houghton, and we are confident that you will contribute to our future growth and success. If you have any questions regarding this offer, please feel free to contact your recruiter Tami Walsh at 215-201-8098.

Please acknowledge formal acceptance of this offer by signing in the space provided and emailing a copy of this letter together with a signed copy of the Confidentiality & Non-Competition Agreement and Sign On Bonus Acknowledgement to myself and all other parties on the email you received. This offer of employment is not deemed accepted until all signed documents have been received by Quaker Houghton.

Sincerely,

/s/ DAVID WILL

David Will

VP and CAO

I hereby accept this offer as given above and will commence my employment on May 31, 2022. I understand and acknowledge that this offer does not create an employment contract between the company and me; nor does it guarantee employment for any period of time; nor does it guarantee any particular terms and/or conditions of employment other than those specified above. I further understand and acknowledge that my employment relationship between the company and me will be "at will" and completely voluntary with both parties.

/s/ STEVEN DASSING

Steven Dassing

5/16/2022

Date

Quaker Houghton
Confidentiality and Non-Competition Covenants

This Agreement is between Quaker Houghton (the "Company") and /s/ STEVE DASSING (the "Employee"), whose current address is [REDACTED]. The effective date of this Agreement is May 16, 2022.

1. **NEED FOR AGREEMENT** - As part of Employee's employment by the Company, Employee will be placed in a position of trust and confidence and entrusted with the Company's confidential and proprietary information and trade secrets to enable Employee to carry out Employee's job functions. Because Employee has or will receive this type of confidential information, Employee understands that Employee has an obligation not to exploit Employee's access to this information for Employee's own personal interest or interests outside of the Company both during the time of Employee's employment and thereafter. Employee also understands that the Company is entitled to preserve its goodwill, confidential information, customer and employee relationships and investments though the use of the restrictive covenants contained in this Agreement.

2. **EMPLOYMENT DUTIES**- Employee will perform all duties customarily performed by the Company's employees holding the same or similar positions and all other duties that may be assigned to Employee from time to time. Employee's precise employment responsibilities may be extended, modified or curtailed from time to time at the sole discretion of the Company and such changes shall not alter any of Employee's obligations under this Agreement except as otherwise stated herein.

3. **BEST EFFORTS**

(a) Employee agrees to devote Employee's best efforts and entire business time and attention to the Company's Business during the term of Employee's employment with the Company. Employee agrees that, during the term of Employee's employment, Employee will not engage in or have any ownership interest in any business activity, including any entity, that engages in or is planning to engage in activities (i) that are competitive with the Company's Business; and/or (ii) whose ownership would otherwise create a conflict of interest. For purposes of this Agreement, the term "Company's Business" shall mean the manufacture of industrial process fluids to the primary metals and metalworking markets.

(b) The restrictions in this Paragraph 3 will not apply if Employee fully discloses the competitive or potentially competitive activities, as the case may be, and receives written permission to engage in these activities by the Company's then Chief Executive Officer or the Vice President of Human Resources. The Company has total and complete discretion to withhold or grant this permission. If Employee has any questions or concerns about these restrictions, Employee is directed to contact the Vice President of Human Resources.

(c) The Company and Employee agree that the restrictions in this Paragraph 3 are not intended to, and do not, prevent ownership by Employee of up to 5% or $100,000, whichever is less, of any class of equity or debt securities of a competitive entity that is traded on a national security exchange.

4. **AT-WILL EMPLOYMENT** - Employee is an "at-will" employee of the Company, and either Employee or the Company can terminate the employment relationship at any time for any

reason. Employee's and the Company's obligations and rights under this Agreement are not affected by Employee's status as an "at-will" employee or by the termination of the employment relationship by either party for any reason.

5. **CONFIDENTIAL INFORMATION AND COMPANY PROPERTY**

(a) Employee acknowledges that the Company and its subsidiaries, divisions and affiliates, as well as majority-owned companies of such subsidiaries, divisions and affiliates, and their respective successors (hereinafter collectively, the "Company") possess certain Confidential Information which has been and may be revealed to or learned by Employee during Employee's employment with the Company. Employee acknowledges that the term "Confidential Information" includes all information that has or could have commercial value or other utility in the Company's Business, or the unauthorized disclosure of which could be detrimental to the Company's interests, whether or not such information is specifically identified as Confidential Information by the Company.

(b) By way of example and not limitation, Confidential Information includes any and all information, whether or not meeting the legal definition of a trade secret, concerning the Company's actual, planned or contemplated: (i) marketing plans, business plans, strategies, forecasts, budgets, projections and costs; (ii) personnel information; (iii) customer, vendor and supplier lists; (iv) business operations, internal structures and financial affairs; (v) software and operating systems and procedures; (vi) pricing structure of the Company's services and products;

(vii) contracts with other parties; (viii} formulations, formulation information, and performance characteristics of the Company's products; and (ix) Inventions (as discussed in Paragraph 6 of this Agreement). Confidential Information does not include information that has become widely known to the public other than through the improper disclosure of Employee. Notwithstanding anything to the contrary in this Agreement, however, Confidential Information includes any and all information that the Company is obligated to maintain as confidential.

(c) During the term of Employee's employment with the Company and thereafter, Employee will not, directly or indirectly, use or disclose to anyone, or authorize disclosure or use of, any of the Confidential Information revealed to, learned by or created by Employee during the course of Employee's employment with the Company, unless such use or disclosure is both consistent with the Company's obligations and is for the sole purpose of carrying out Employee's duties to the Company. Employee further agrees that Employee will take all reasonable efforts to protect the confidentiality of Confidential Information.

(d) Employee agrees that at the cessation of Employee's employment Employee will return to the Company immediately any Company property, whether or not the property contains Confidential Information, in Employee's possession, custody or control. Employee further agrees that upon termination of Employee's employment for any reason: (I) Employee will immediately return to the Company all materials, including but not limited to electronic files, documents, copies and derivatives, which contain Confidential Information; (ii) Employee will not retain any copies or derivatives of any such materials; and (iii) Employee will not use or disclose Confidential Information after Employee's separation of employment with the Company.

(e) If, following Employee's employment with the Company, Employee is requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or other process) to disclose Confidential Information, Employee will immediately notify the Company of such request or requirement so that the Company may take any action deemed by the Company to be necessary or advisable to protect the confidentiality of the Confidential Information. Unless the Company waives the protections of this Agreement in writing, Employee agrees to cooperate with the Company at the Company's sole expense to protect the confidentiality of the Confidential Information and to cooperate fully with the Company's efforts to protect the confidentiality of the Confidential Information.

(f) Notwithstanding anything to the contrary in this Agreement or otherwise, as provided for in the Defend Trade Secrets Act of 2016 (18 U.S.C. § 1833(b)), Employee will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Without limiting the foregoing, if Employee files a lawsuit for retaliation by Employer for reporting a suspected violation of law, Employee may disclose the trade secret to his or her attorney and use the trade secret information in the court proceeding, if Employee (x) files any document containing the trade secret under seal, and (y) does not disclose the trade secret, except pursuant to court order.

6. **INVENTIONS AND ASSIGNMENT OF INVENTIONS** - Employee shall promptly disclose to the Company any and all intellectual property, discoveries, inventions, technological innovations, improvements and copyrightable works conceived or made by Employee, solely or jointly, during Employee's employment with the Company whether or not conceived or made during working hours, relating in any manner to the business, business plans, or development plans of the Company. All such discoveries, inventions, technological innovations, improvements and copyrightable works, whether patentable or not patentable, shall be the exclusive property of the Company with respect to any and all countries. At the request and expense of the Company, at any time during Employee's employment or thereafter, Employee shall perform all lawful acts and execute, acknowledge and deliver all such instruments deemed necessary or desirable by the Company to vest or maintain in the Company all right, title and interest in and to such discoveries, inventions, technological innovations, improvements and copyrightable works recited in this section and to enable the Company to prepare, file and prosecute applications for patents and copyrights thereon in any and all countries selected by the Company, including renewals and reissues thereof, and to obtain or record sole and exclusive title to such applications, patents and copyrights for any and all said countries. To the extent to which work performed under this Agreement is eligible to be deemed "work for hire" for purposes of the United States Copyright laws, the parties intend for it to be work for hire.

7. **EMPLOYEE RESPONSIBILITIES AND RESTRICTIVE COVENANTS**

(a) Employee agrees that, during Employee's employment with the Company, and for a period of one (1) year after the end of Employee's employment with the Company for any reason, Employee will not directly or indirectly, in any capacity, whether as an owner, shareholder, agent, employee, independent contractor, partner, officer, director or ,n any other capacity, work for or perform services for a Competitor in the Territory. For purposes of this Agreement, "Competitor" means any business which manufactures, produces, sells or markets products or services that are competitive with the Company's Business, and/or that are competitive with any Company products or services: (i) that Employee worked with, sold, developed, marketed or handled; (i1) about which Employee had access to trade secrets or confidential information; or (iii) for which Employee provided shared services support, at any time during the last 24 months of Employee's employment with the Company. "Territory" means any geographic area in which the Company sells or markets the products or services or operates the business identified in the previous sentence at the time Employee's employment with the Company ends.

(b) Employee agrees that, during Employee's employment with the Company, and for a period of one (1) year after the end of Employee's employment with the Company for any reason, Employee will not directly or indirectly, in any capacity, whether as an owner, shareholder, agent, employee, independent contractor, partner, officer, director or in any other capacity, (a) solicit, request, or induce any of the Company's customers to curtail, terminate or diminish their business activities with the Company, or (b) solicit or accept business from any of the Company's customers on Employee's own behalf or on behalf of any third party or entity. This restriction applies only to customers with whom Employee had contact or otherwise had responsibility for at any time during the twelve month period immediately preceding the end of Employee's employment with the Company.

(c) Employee agrees that, for a period of one (1) year after the end of Employee's employment with the Company, Employee will not solicit, seek to employ, induce or attempt to induce to leave the Company, or seek to retain the services of, any person who was employed by the Company or affiliated as an independent contractor with the Company during Employee's last six (6) months of employment with the Company.

(d) Employee agrees that, for a period of one (1) year after the end of Employee's employment with the Company, Employee will promptly inform the Company in writing of any employment and/or business affiliations that Employee has with any individual, company or entity which is offering or planning to offer a service or product in competition with the Company. This information must include: (i) the name and address of the individual, business or business entity with which Employee has such a relationship; and (ii) the specific nature of Employee's business-related activities performed for or in connection with that individual, business or business entity. In addition, at the Company's request, Employee agrees to provide any and all additional information the Company reasonably believes to be necessary for the Company to determine if Employee is complying with Employee's obligations under this Agreement.

(e) The Company and Employee agree that the restrictions in this Paragraph 7 are not intended to, and do not, prevent ownership of up to 5% or $100,000, whichever is less, of any class of equity or debt securities of a competitive entity that is traded on a national security exchange.

(f) Employee acknowledges and agrees that the restrictions ,n this Paragraph are reasonable and necessary for the protection of the Company's legitimate business interests. Employee also acknowledges that these restrictions are reasonable in their restrictive effect, and that Employee expects to remain employable and able to earn a livelihood while abiding by the restrictions.

(g) Employee further acknowledges that Employee has received good and valuable consideration to which Employee would not otherwise be entitled in return for agreeing to the restrictions in this Agreement, and will continue to receive such consideration in the future. By way of example (but not limitation}, this consideration may include continued employment with the Company, salary increases and bonuses, continued participation in the Company's various benefits plans, access to confidential information and customer accounts, and other opportunities for training and advancement within the Company. Employee also acknowledges that these restrictions are an integral and essential part of this Agreement and are a necessary condition of Employee's continued employment with the Company.

(h) Employee agrees that a breach of the restrictions in this Agreement will cause irreparable injury to the Company, and that money damages for such a breach would be difficult or impossible to calculate, and would therefore fail to provide an adequate and complete remedy. Therefore, Employee agrees that the Company shall be entitled to enforce this Agreement by specific performance and/or to enjoin Employee from activities in violation of this Agreement.

(i) Employee agrees that if any of the restrictions above are held to be overbroad and/or unreasonable in duration or scope, the court or arbitrator responsible for such a determination shall have the power to reduce or limit the restrictions and to enforce the modified restrictions in revised form.

(j) Employee agrees that Employee intends to be legally bound by this Agreement and its restrictions, that Employee has had a full and fair opportunity to review the Agreement before deciding whether to sign and execute it, and that Employee has had the opportunity to consult with Employee's attorneys regarding the terms and restrictions herein.

(k) It is understood and agreed that Paragraphs 7(a) and 7(b} of the Agreement shall have no force and effect in any jurisdiction where the restrictions in these paragraphs are legally unenforceable or otherwise prohibited.

8. **INJUNCTIVE RELIEF** - Employee acknowledges that the provisions of Paragraphs 5 through 7 are reasonable and necessary for the protection of the Company and that the Company will be irreparably damaged if such covenants are not specifically enforced. Accordingly, Employee agrees that, in addition to any other relief or remedies available to the Company, the Company shall be entitled to seek and obtain an appropriate injunction or other equitable remedy from any court of competent jurisdiction for the purposes of restraining Employee from any actual or threatened breach of such covenants, and no bond or securities will be required in connection therewith. If Employee breaches any of the covenants set forth in Paragraph 7 of this Agreement, and the Company proves Employee's breach in a forum of competent jurisdiction and/or the Company is awarded a permanent or temporary injunction against Employee's continuing breach, or damages arising from said breach, the length of the restricted periods in Paragraphs 7(a), 7(b) and 7(c) of his Agreement shall be extended to continue for an additional period of time equal to the length of time that Employee was shown to be in breach of any of the restrictions in Paragraph 7.

9. **NO PRIOR AGREEMENTS** - Employee represents that Employee is not a party to or otherwise subject to or bound by terms of any contract, agreement or understanding which in any manner would limit or otherwise affect Employee's ability to perform Employee's obligations

hereunder, including without limitation any contract, agreement or understanding containing terms and provisions similar in any manner to those contained in Paragraph 7 hereof. Employee further represents and warrants that Employee's employment with the Company will not require Employee to disclose or use any confidential information belonging to prior employers or other persons or entities.

10. **CORPORATE OPPORTUNITIES** - Employee acknowledges that Employee is obligated to disclose to the Company all business opportunities, potential business opportunities, recruiting opportunities, and/or potential recruiting opportunities that Employee becomes aware of during the course of Employee's employment with the Company so that the Company has the option of pursuing these opportunities or potential opportunities at its discretion. Employee shall not take any action to exploit a Company opportunity or potential opportunity that Employee becomes aware of during the course of Employee's employment for Employee's personal benefit or for the benefit of anyone other than the Company.

11. **REPRESENTATION** - Employee represents that Employee's experience and capabilities are such that the provisions of Paragraph 7 will not prevent Employee from earning a livelihood, and acknowledges that it would cause the Company serious and irreparable injury and cost if Employee were to use Employee's ability and knowledge in competition with the Company in violation of the provisions of Paragraph 7 or to otherwise breach the obligations contained in Paragraph 7.

12. **COVENANTS OF THE ESSENCE** - The covenants set forth in Paragraphs 5 through 7 are of the essence of this Agreement; they shall be construed as independent of any other provisions in this Agreement; and the existence of any claim or cause of action by Employee against the Company, whether predicated on this Agreement or not, shall not constitute a defense to the enforcement by the Company of these covenants.

13. **ENFORCEABILITY OF COVENANTS** - The restrictive covenants contained in Paragraphs 5 through 7 of this Agreement shall be enforceable by the Company regardless of the reason for Employee's termination from employment from the Company or whether Employee's termination is initiated by Employee or is initiated by the Company, and shall survive the termination of Employee's employment.

14. **SERVICE OF PROCESS** - Employee hereby irrevocably consents to the service of any summons and complaint and any other process which may be served in any action or proceeding arising out of or related to this Agreement by the mailing by certified or registered mail of copies of such process to Employee at Employee's address as set forth on this Agreement, or such other address that Employee may give to the Company's Human Relations Department as Employee's home address.

15. **SEVERABILITY** - If any word, term, provision or paragraph of this Agreement ,s determined by a court of competent jurisdiction to be invalid or unenforceable for any reason, such determination shall not affect the remaining words, terms, provisions or paragraphs of his Agreement, which shall continue to be given full force and effect. If any word, term, provision or paragraph of this Agreement is determined by a court of competent jurisdiction to be unenforceable, the parties hereby expressly agree that the court making such determination shall have the power to reduce the duration and/or restrict the scope of such term, provision or

paragraph and/or delete or modify such specific words or phrases which the court shall deem necessary to permit enforcement of the remainder of this Agreement and such word, term, provision or paragraph in restricted form.

16. **WAIVER OF BREACH; SELECTIVE ENFORCEMENT** - The waiver by the Company of Employee's breach of any provision or covenant of this Agreement shall not operate or be construed as a waiver of any subsequent breach by Employee of the same or a different provision. Selective enforcement of this type of Agreement against some persons and not others shall in no way be construed as affecting the enforceability of this Agreement with Employee, or be construed in any way against the Company.

17. **ENTIRE AGREEMENT**- This Agreement cancels and supersedes all prior oral or written agreements, if any, between the Company and Employee on any subjects related to this Agreement. No subsequent amendment, alteration, change or addition to this Agreement shall be binding upon the Company unless reduced to writing and signed by both parties hereto.

18. **ASSIGNMENT** - This Agreement is binding upon Employee's heirs, executors, administrators and other legal representatives and will inure to the benefit of the Company, its successors, and its assigns. In the event that the Company should consolidate, merge into another entity, transfer all or substantially all of its assets or operations to another entity, or divide its assets or operations among a number of entities, this Agreement shall continue in full force and effect with regard to the surviving entity and may be assigned by the Company if necessary to achieve that purpose. In addition, this Agreement and the Company's rights thereunder may be assigned to any entity acquiring business or assets from the Company. Employee's obligations under this Agreement are personal in nature and may not be assigned by Employee to any other person or entity.

19. **CHOICE OF LAW** - All questions concerning the execution of this Agreement and the rights and liabilities of the parties hereunder shall be decided in accordance with the internal laws of the state where employee primarily performed Employee's services for the Company during the last twelve (12) months of Employee's tenure with the Company.

[Signature page follows]

AGREED, INTENDING TO BE LEGALLY BOUND:

/s/ STEVE DASSING

EMPLOYEE SIGNATURE

Steve Dassing

PRINT NAME

Address: [REDACTED]

Date: 5/16/2022

QUAKER HOUGHTON

By: /s/ PAMELA DAKNIS

Name: Pamela Daknis

Title: VP, Human Resources

Date: 5/16/2022

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER OF THE COMPANY PURSUANT TO RULE 13a 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

I, Joseph A. Berquist, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Quaker Chemical Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2025

/s/ Joseph A. Berquist

Joseph A. Berquist
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER OF THE COMPANY PURSUANT TO RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

I, Thomas Coler, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Quaker Chemical Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2025

/s/ Thomas Coler

Thomas Coler

Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

The undersigned hereby certifies that the Form 10-Q Quarterly Report of Quaker Chemical Corporation (the “Company”) for the quarterly period ended September 30, 2025 filed with the Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 30, 2025

/s/ Joseph A. Berquist

Joseph A. Berquist

Chief Executive Officer of Quaker Chemical Corporation

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

The undersigned hereby certifies that the Form 10-Q Quarterly Report of Quaker Chemical Corporation (the “Company”) for the quarterly period ended September 30, 2025 filed with the Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 30, 2025

/s/ Thomas Coler

Thomas Coler

Chief Financial Officer of Quaker Chemical Corporation