NEWS

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QUAKER HOUGHTON ANNOUNCES THIRD QUARTER 2026 RESULTS

- Q3'26 net sales of $544.5 million, an increase of 10% Y/Y
- Q3'26 net income of $30.0 million and earnings per diluted share of $1.73
- Sales volumes increased 3% Y/Y primarily driven by new business wins across all segments
- Q3'26 non-GAAP net income of $41.4 million and non-GAAP earnings per diluted share of $2.39, an increase of 15% Y/Y
- Delivered Q3'26 adjusted EBITDA of $89.8 million, an 8% increase Y/Y

October 29, 2026

CONSHOHOCKEN, PA – Quaker Houghton ("the Company") (NYSE: KWR), the global leader in industrial process fluids, announced its third quarter 2026 results today.

	Three Months Ended September 30,		Nine Months Ended September 30,	
($ in thousands, except per share data)	**2026**	**2025**	**2026**	**2025**
Net sales	$ 544,548	$ 493,842	$ 1,557,577	$ 1,420,156
Net income (loss) attributable to Quaker Chemical Corporation	29,977	30,469	76,481	(23,189)
Net income (loss) attributable to Quaker Chemical Corporation common shareholders – diluted	1.73	1.75	4.40	(1.32)
Non-GAAP net income *	41,411	36,270	107,688	94,298
Non-GAAP earnings per diluted share *	2.39	2.08	6.20	5.37
Adjusted EBITDA *	89,781	82,851	247,477	227,377

* *Refer to the Non-GAAP Measures and Reconciliations section below for additional information*

Third Quarter 2026 Consolidated Results

Net sales in the third quarter of 2026 were $544.5 million, an increase of 10% compared to $493.8 million in the third quarter of 2025. This increase was primarily driven by an improvement in selling price and product mix of 7% and an increase in sales volumes of 3%. The increase in selling price and product mix reflects pricing actions taken to offset higher raw material costs, as well as changes in the mix of products and services, and the impact of our index-based customer contracts. The increase in sales volumes compared to the prior year was primarily a result of new business wins across all segments.

The Company reported net income in the third quarter of 2026 of $30.0 million, or $1.73 per diluted share, compared to $30.5 million, or $1.75 per diluted share, in the third quarter of 2025. Excluding non-recurring and non-core items in each period, the Company's non-GAAP net income and non-GAAP earnings per diluted share were $41.4 million and $2.39, respectively, in the third quarter of 2026 compared to $36.3 million and $2.08, respectively, in the third quarter of 2025. The Company generated adjusted EBITDA of $89.8 million in the third quarter of 2026, an increase of approximately 8% compared to $82.9 million in the third quarter of 2025, primarily driven by the increase in net sales, partially offset by higher input costs and SG&A expenses. See the Non-GAAP Measures and Reconciliations section below for additional information.

Joe Berquist, Chief Executive Officer and President, commented, "Net sales increased 10% compared with the prior year, driven by new business wins across all segments, leading to a fifth consecutive quarter of year-over-year profitability improvement. Our results were led by strong growth in the Americas and improved operating earnings in EMEA despite end markets that remain challenged amid the backdrop of ongoing conflict in the Middle East. Asia Pacific continued to generate volume growth even as market conditions softened in China throughout the quarter. I am proud of our team's consistent execution and ability to convert above-market growth into higher earnings, leading to our second consecutive quarter of record adjusted EBITDA.

“Looking ahead, we anticipate fourth quarter revenue and adjusted EBITDA will improve year-over-year but decline sequentially from the third quarter’s record level in line with normal seasonal demand patterns from the holiday season in North America and EMEA. Activity in Asia is expected to remain soft in the fourth quarter as geopolitical and economic uncertainty have tempered industrial demand in China, and we anticipate global raw material costs will remain elevated through the end of the year as the conflict in the Middle East continues. We remain focused on advancing our transformation initiatives and carrying our positive earnings momentum into 2027.”

Third Quarter 2026 Segment Results

The Company’s third quarter of 2026 operating performance for each of its three reportable segments: (i) Americas; (ii) EMEA; and (iii) Asia/Pacific, is further described below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net Sales *				
Americas	$ 254,030	$ 222,787	$ 704,271	$ 657,560
EMEA	152,466	143,900	452,985	413,101
Asia/Pacific	138,052	127,155	400,321	349,495
Total net sales	$ 544,548	$ 493,842	$ 1,557,577	$ 1,420,156
Segment operating earnings *				
Americas	$ 65,657	$ 58,913	$ 176,845	$ 176,351
EMEA	31,174	26,479	89,475	74,867
Asia/Pacific	35,055	35,569	105,890	90,214
Total segment operating earnings	$ 131,886	$ 120,961	$ 372,210	$ 341,432

** Refer to the Segment Measures and Reconciliations section below for additional information*

The following table summarizes the sales variances by reportable segment and consolidated operations in the third quarter of 2026 compared to the third quarter of 2025:

	Sales volumes	Selling price & product mix	Foreign currency	Acquisition & other	Total
Americas	6 %	8 %	— %	— %	14 %
EMEA	(2)%	10 %	(2)%	— %	6 %
Asia/Pacific	5 %	3 %	1 %	— %	9 %
Consolidated	3 %	7 %	— %	— %	10 %

Net sales in the Americas segment in the third quarter of 2026 increased 14% compared to the same period in 2025, due to an increase in sales volumes and an increase in selling price and product mix. Net sales in the Asia/Pacific segment increased 9% in the third quarter of 2026 compared to the same period in 2025, as a result of an increase in sales volumes, an increase in selling price and product mix, and a favorable impact of foreign currency translation. Net sales in the EMEA segment increased 6% in the third quarter of 2026 compared to the same period in 2025, due to an increase in selling price and product mix, partially offset by a decrease in sales volumes resulting from the reversal of pre-buy activity in the second quarter, and an unfavorable impact of foreign currency translation.

Underlying end market activity in the third quarter of 2026 was flat to slightly lower than prior year levels, while new business wins across all segments led to year-over-year volume growth compared to the prior year quarter. The increase in selling price and product mix in the third quarter of 2026 compared to the same period in 2025 reflects pricing actions taken to offset higher raw material costs across all segments, as well as changes in the mix of products and services, and the impact of our index-based customer contracts.

Consolidated net sales increased approximately 2% compared to the second quarter of 2026, driven by an increase in selling price and product mix across all segments and an increase in sales volumes in the Americas and Asia/Pacific segments, offset by a decrease in sales volumes in the EMEA segment.

Segment operating earnings for the EMEA segment increased compared to the prior year quarter, primarily due to an increase in net sales and an improvement in segment operating margins. Segment operating earnings for the Americas segment increased compared to the prior year quarter, primarily due to an increase in net sales, partially offset by lower segment operating margins and higher SG&A. Segment operating earnings for the Asia/Pacific segment decreased compared to the prior year quarter primarily due to lower segment operating margins, partially offset by an increase in net sales. Segment operating earnings increased in the Americas segment in the third quarter of 2026 compared to the second quarter of 2026, primarily driven by an increase in net sales and improved segment operating margins. Segment operating earnings decreased in the EMEA and Asia/Pacific segments in the third quarter of 2026 compared to the second quarter of 2026, primarily driven by a decrease in net sales in the EMEA segment and lower segment operating margins in the Asia/Pacific segment driven by persistent input cost inflation.

Cash Flow and Liquidity Highlights

Net cash provided by operating activities was $47.6 million for the nine months ended September 30, 2026, compared to net cash provided by operating activities of $89.9 million for the same period in 2025. The Company's decrease in operating cash flow year-over-year primarily reflects higher net cash outflows from working capital, partially offset by improved operating performance and lower outflows from restructuring activities.

As of September 30, 2026, the Company's total gross debt was $894.6 million and its cash and cash equivalents was $167.0 million, which resulted in net debt of approximately $727.6 million. The Company's net debt divided by its trailing twelve months adjusted EBITDA was approximately 2.3x. In the third quarter of 2026, the Company repurchased 21,781 shares for $3.3 million.

Non-GAAP Measures and Reconciliations

The information in this press release 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. In addition, the Company presents non-GAAP operating income, which is calculated as operating income 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 also presents non-GAAP gross profit, which is calculated as gross profit plus or minus certain items that management believes are not indicative of future operating performance or considered core to the Company's operations. Additionally, the Company presents non-GAAP Adjusted EBITDA margin, non-GAAP operating margin, and non-GAAP gross margin, which 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.

As it relates to future projections for the Company as well as other forward-looking information contained in this press release, the Company has not provided guidance for comparable GAAP measures or a quantitative reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP measure because it is unable to determine with reasonable certainty the ultimate outcome of certain significant items necessary to calculate such measures without unreasonable effort. These items include, but are not limited to, certain non-recurring or non-core items the Company may record that could materially impact net income. These items are uncertain, depend on various factors, and could have a material impact on the U.S. GAAP reported results for the guidance period.

The Company's reference to trailing twelve months adjusted EBITDA within this press release refers to the twelve-month period ended September 30, 2026 adjusted EBITDA of $319.3 million, which consists of (i) the nine months ended September 30, 2026 adjusted EBITDA of $247.5 million, as presented in the non-GAAP reconciliations below, and (ii) the twelve months ended December 31, 2025 adjusted EBITDA of $299.2 million, as presented in the non-GAAP reconciliations included in the Company's fourth quarter and full year 2025 results press release dated February 23, 2026, less (iii) the nine months ended September 30, 2025 adjusted EBITDA of $227.4 million, as presented in the non-GAAP reconciliations below.

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,**	
	2026	**2025**	**2026**	**2025**
Gross profit	$ 193,523	$ 180,865	$ 559,462	$ 513,848
Acquisition-related step-up inventory amortization	—	—	—	6,022
Loss (gain) on inventory and other adjustments	—	671	—	(2,933)
Non-GAAP gross profit	$ 193,523	$ 181,536	$ 559,462	$ 516,937
Non-GAAP gross margin (%)	35.5 %	36.8 %	35.9 %	36.4 %

Non-GAAP Operating Income and Margin Reconciliations	**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2026	**2025**	**2026**	**2025**
Operating income	$ 48,853	$ 46,641	$ 123,045	$ 21,755
Acquisition-related step-up inventory amortization	—	—	—	6,022
Restructuring and related charges, net	8,263	7,745	23,760	31,128
Acquisition-related expenses	152	642	1,086	4,775
Loss (gain) on inventory and other adjustments	—	671	—	(3,256)
Business transformation costs	3,017	—	8,789	—
Impairment charges	—	—	—	88,840
Duplicate headquarter lease costs	1,156	—	2,042	—
Acquisition-related depreciation and amortization	1,585	1,656	4,779	3,337
Other charges	109	530	270	1,695
Non-GAAP operating income	$ 63,135	$ 57,885	$ 163,771	$ 154,296
Non-GAAP operating margin (%)	11.6 %	11.7 %	10.5 %	10.9 %

EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin and Non-GAAP Net Income Reconciliations	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss) attributable to Quaker Chemical Corporation	$ 29,977	$ 30,469	$ 76,481	$ (23,189)
Depreciation and amortization (a)	25,620	24,436	77,085	69,187
Interest expense	10,023	10,941	29,775	33,265
Taxes on income before equity in net income of associated companies (b)	11,830	9,266	30,147	22,280
EBITDA	77,450	75,112	213,488	101,543
Equity income in a captive insurance company	(1,175)	(1,691)	(4,810)	(4,437)
Acquisition-related step-up inventory amortization	—	—	—	6,022
Restructuring and related charges, net	8,263	7,745	23,760	31,128
Acquisition-related expenses	152	642	1,086	4,775
Loss (gain) on inventory and other adjustments	—	671	—	(3,256)
Business transformation costs	3,017	—	8,789	—
Pension and postretirement benefit costs, non-service components	286	469	863	1,351
Impairment charges	—	—	—	88,840
Product liability claim reimbursement	—	—	(1,000)	—
Currency conversion impacts of hyper-inflationary economies	455	886	1,210	2,073
Loss on acquisition-related hedges	—	—	—	1,351
Loss (gain) on sale of assets	165	—	165	(2,534)
Multiemployer plan withdrawal charge	—	923	—	923
Brazilian non-income tax credits	—	(1,762)	—	(1,762)
Debt modification and extinguishment costs	—	—	1,711	—
Duplicate headquarter lease costs	1,156	—	2,042	—
Other charges (credits)	12	(144)	173	1,360
Adjusted EBITDA	$ 89,781	$ 82,851	$ 247,477	$ 227,377
Adjusted EBITDA margin (%)	16.5 %	16.8 %	15.9 %	16.0 %
Adjusted EBITDA	$ 89,781	$ 82,851	$ 247,477	$ 227,377
Less: Depreciation and amortization (a)	25,620	24,436	77,085	69,187
Less: Interest expense	10,023	10,941	29,775	33,265
Less: Taxes on income before equity in net income of associated companies - adjusted (b)	14,312	12,860	37,708	33,964
Plus: Acquisition-related depreciation and amortization	1,585	1,656	4,779	3,337
Non-GAAP net income	$ 41,411	$ 36,270	$ 107,688	$ 94,298

Non-GAAP Earnings per Diluted Share Reconciliations	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
GAAP earnings (loss) per diluted share attributable to Quaker Chemical Corporation common shareholders	$ 1.73	$ 1.75	$ 4.40	$ (1.32)
Equity income in a captive insurance company	(0.07)	(0.10)	(0.28)	(0.25)
Acquisition-related step-up inventory amortization	—	—	—	0.25
Restructuring and related charges, net	0.31	0.30	0.97	1.31
Acquisition-related expenses	0.01	0.02	0.05	0.21
Loss (gain) on inventory and other adjustments	—	0.02	—	(0.14)
Business transformation costs	0.14	—	0.39	—
Pension and postretirement benefit costs, non-service components	0.02	0.02	0.04	0.06
Impairment charges	—	—	—	4.91
Product liability claim reimbursement	—	—	(0.04)	—
Currency conversion impacts of hyper-inflationary economies	0.03	0.05	0.07	0.12
Loss on acquisition-related hedges	—	—	—	0.06
Loss (gain) on sale of assets	0.01	—	0.01	(0.11)
Multiemployer plan withdrawal charge	—	0.04	—	0.04
Brazilian non-income tax credits	—	(0.08)	—	(0.08)
Debt modification and extinguishment costs	—	—	0.08	—
Duplicate headquarter lease costs	0.05	—	0.09	—
Other charges (credits)	0.01	0.02	0.02	0.07
Discrete tax items	0.09	(0.02)	0.21	0.11
Acquisition-related depreciation and amortization	0.06	0.06	0.19	0.13
Non-GAAP earnings per diluted share	$ 2.39	$ 2.08	$ 6.20	$ 5.37

a. Depreciation and amortization for the three and nine months ended September 30, 2026 and 2025 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.

b. Taxes on income before equity in net income of associated companies – adjusted includes the Company's tax expense adjusted for 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, above, determined utilizing the applicable rates in the taxing jurisdictions in which these 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, 2026 and 2025.

Segment Measures and Reconciliations

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 segment items. 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, net.

The following table presents information about the performance of the Company's reportable segments (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net Sales				
Americas	$ 254,030	$ 222,787	$ 704,271	$ 657,560
EMEA	152,466	143,900	452,985	413,101
Asia/Pacific	138,052	127,155	400,321	349,495
Total net sales	$ 544,548	$ 493,842	$ 1,557,577	$ 1,420,156
Segment operating earnings				
Americas	$ 65,657	$ 58,913	$ 176,845	$ 176,351
EMEA	31,174	26,479	89,475	74,867
Asia/Pacific	35,055	35,569	105,890	90,214
Total segment operating earnings	131,886	120,961	372,210	341,432
Restructuring and related charges, net	(8,263)	(7,745)	(23,760)	(31,128)
Impairment charges	—	—	—	(88,840)
Non-operating and administrative expenses	(57,262)	(49,560)	(172,552)	(151,137)
Depreciation of corporate assets and amortization	(17,508)	(17,015)	(52,853)	(48,572)
Operating income	48,853	46,641	123,045	21,755
Other expense, net	(797)	(270)	(414)	(1,632)
Interest expense	(10,023)	(10,941)	(29,775)	(33,265)
Income (loss) before taxes and equity in net income of associated companies	$ 38,033	$ 35,430	$ 92,856	$ (13,142)

Forward-Looking Statements

This press release contains "forward-looking statements" that fall under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended. These statements can be identified by the fact that they do not relate strictly to historical or current facts. 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 our actual results, including but not limited to the potential benefits of acquisitions and divestitures, the impacts on our business as a result of global supply chain constraints and other macroeconomic stresses and uncertainties, including 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 our current and future results and plans and statements that include the words "may," "could," "should," "would," "believe," "expect," "anticipate," "estimate," "intend," "outlook," "target," "possible," "potential," "plan" or similar expressions. Such statements include information relating to current and future business activities, operational matters, capital spending, and financing sources. A major risk is that demand for the Company's products and services is largely derived from the demand for its 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, inflationary pressures, including increases in raw material costs; supply chain constraints and the impacts of economic downturns; customer financial instability; high interest rates and their impact on our and our customers' business operations; the impacts from acts of war, terrorism and military conflicts, including those in Ukraine and the Middle East as well as economic and political actions taken by various government organizations; economic and political disruptions globally and the possibility of regime changes; the possibility of economic recession; 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 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"; 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, automobile, aircraft, industrial equipment, aluminum and durable goods industries. Our forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its operations that are subject to change based on various important factors, some of which are beyond our control. These risks, uncertainties, and possible inaccurate assumptions relevant to our business could cause our actual results to differ materially from expected and historical results. All forward-looking statements included in this press release, including expectations about future periods, are based upon information available to the Company as of the date of this press release, which may change. Therefore, we caution you not to place undue reliance on our forward-looking statements. For more information regarding these risks and uncertainties as well as certain additional risks that we face, refer to the Risk Factors section, which appears in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025, and in subsequent reports filed from time to time with the Securities and Exchange Commission. We do not intend to, and we disclaim any duty or obligation to, update or revise any forward-looking statements to reflect new information or future events or for any other reason.

Conference Call

As previously announced, the Company's investor conference call to discuss its third quarter of 2026 performance is scheduled for Friday, October 30, 2026 at 8:00 a.m. ET. A live webcast of the conference call, together with supplemental information, can be accessed through the Company's Investor Relations website at investors.quakerhoughton.com. You can also access the conference call by dialing 877-269-7756.

About Quaker Houghton

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, can, mining, and metalworking companies. Our high-performing, innovative and sustainable solutions are backed by best-in-class technology, deep process knowledge and customized services. With approximately 4,700 employees, including chemists, engineers and industry experts, we partner with our customers to improve their operations so they can run even more efficiently, even more effectively, whatever comes next. Quaker Houghton is headquartered in Conshohocken, Pennsylvania, located near Philadelphia in the United States. Visit quakerhoughton.com to learn more.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Net sales	$ 544,548	$ 493,842	$ 1,557,577	$ 1,420,156
Cost of goods sold	351,025	312,977	998,115	906,308
Gross profit	193,523	180,865	559,462	513,848
Selling, general and administrative expenses	136,407	126,479	412,657	372,125
Impairment charges	—	—	—	88,840
Restructuring and related charges, net	8,263	7,745	23,760	31,128
Operating income	48,853	46,641	123,045	21,755
Other expense, net	(797)	(270)	(414)	(1,632)
Interest expense	(10,023)	(10,941)	(29,775)	(33,265)
Income (loss) before taxes and equity in net income of associated companies	38,033	35,430	92,856	(13,142)
Taxes on income before equity in net income of associated companies	11,830	9,266	30,147	22,280
Income (loss) before equity in net income of associated companies	26,203	26,164	62,709	(35,422)
Equity in net income of associated companies	3,767	4,322	13,816	12,262
Net income (loss)	29,970	30,486	76,525	(23,160)
Less: Net (loss) income attributable to noncontrolling interest	(7)	17	44	29
Net income (loss) attributable to Quaker Chemical Corporation	$ 29,977	$ 30,469	$ 76,481	$ (23,189)
Per share data:				
Net income (loss) attributable to Quaker Chemical Corporation common shareholders – basic	$ 1.74	$ 1.75	$ 4.43	$ (1.32)
Net income (loss) attributable to Quaker Chemical Corporation common shareholders – diluted	$ 1.73	$ 1.75	$ 4.40	$ (1.32)
Basic weighted average common shares outstanding	17,196,928	17,363,947	17,273,816	17,524,377
Diluted weighted average common shares outstanding	17,345,329	17,421,090	17,363,516	17,545,666

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

	September 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 167,006	$ 179,829
Accounts receivable, net	487,955	417,157
Inventories	319,612	265,776
Prepaid expenses and other current assets	74,468	58,428
Total current assets	1,049,041	921,190
Property, plant and equipment, net	319,049	313,423
Right-of-use lease assets	51,256	38,737
Goodwill	506,772	501,720
Other intangible assets, net	813,174	873,540
Investments in associated companies	117,998	106,915
Deferred tax assets	11,258	12,128
Other non-current assets	46,784	30,283
Total assets	$ 2,915,332	$ 2,797,936
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings and current portion of long-term debt	$ 20,532	$ 35,657
Accounts payable	233,814	198,929
Dividends payable	9,111	8,804
Accrued compensation	51,799	41,192
Accrued restructuring	9,149	8,351
Accrued pension and postretirement benefits	2,115	2,126
Other accrued liabilities	98,993	85,097
Total current liabilities	425,513	380,156
Long-term debt	871,462	834,901
Long-term lease liabilities	35,494	22,759
Deferred tax liabilities	128,162	140,814
Non-current accrued pension and postretirement benefits	18,641	20,615
Other non-current liabilities	18,978	22,192
Total liabilities	1,498,250	1,421,437
Equity		
Common stock $1 par value; authorized 30,000,000 shares; issued and outstanding September 30, 2026 – 17,191,225 shares; December 31, 2025 – 17,331,779 shares	17,191	17,332
Capital in excess of par value	856,031	874,826
Retained earnings	646,422	596,616
Accumulated other comprehensive loss	(105,978)	(115,661)
Total Quaker shareholders' equity	1,413,666	1,373,113
Noncontrolling interest	3,416	3,386
Total equity	1,417,082	1,376,499
Total liabilities and equity	$ 2,915,332	$ 2,797,936

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

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities		
Net income (loss)	$ 76,525	$ (23,160)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation and amortization	76,393	68,471
Equity in undistributed earnings of associated companies, net of dividends	(7,358)	(4,366)
Deferred income taxes	(15,997)	(16,503)
Share-based compensation	10,570	10,419
Impairment charges	—	88,840
Restructuring and related charges, net	23,760	31,128
Inventory step-up amortization	—	6,022
Loss (gain) on disposal of property, plant and equipment and other assets	422	(2,051)
Other adjustments	(6,133)	(5,082)
Increase (decrease) in cash from changes in current assets and current liabilities, net of acquisitions:		
Accounts receivable	(72,918)	4,585
Inventories	(57,185)	(16,473)
Prepaid expenses and other current assets	(14,741)	(4,258)
Accrued restructuring	(17,964)	(21,671)
Accounts payable and accrued liabilities	52,208	(25,992)
Net cash provided by operating activities	47,582	89,909
Cash flows from investing activities		
Investments in property, plant and equipment	(32,466)	(33,630)
Payments related to acquisitions, net of cash acquired	—	(164,209)
Proceeds from disposition of assets	370	2,992
Other investing activities	3,380	1,828
Net cash used in investing activities	(28,716)	(193,019)
Cash flows from financing activities		
Payments of long-term debt	(629,685)	(25,967)
Proceeds from long-term debt	800,000	—
Borrowings on revolving credit facilities	324,252	328,201
Payments on revolving credit facilities	(463,222)	(159,263)
Payments on other debt	—	(525)
Financing-related debt issuance costs	(6,232)	—
Dividends paid	(26,368)	(25,583)
Shares purchased under share repurchase programs	(27,480)	(36,496)
Other stock related activity	(2,024)	(1,099)
Net cash (used in) provided by financing activities	(30,759)	79,268
Effect of foreign exchange rate changes on cash	(930)	7,000
Net decrease in cash and cash equivalents	(12,823)	(16,842)
Cash and cash equivalents at the beginning of the period	179,829	188,880
Cash and cash equivalents at the end of the period	$ 167,006	$ 172,038