

**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 June 30, 2026

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: 001-36563

ORION S.A.


(Exact name of registrant as specified in its charter)

Grand Duchy of Luxembourg

(State or other jurisdiction of incorporation or organization)

98-1007234

(I.R.S. Employer Identification No.)

1700 City Plaza Drive, Suite 300

Spring

Texas

77389

(Address of Principal Executive Offices)

(Zip Code)

(281) 318-2959

Registrant's telephone number, including area code

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 Shares, no par value	OEC	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 Act). Yes ☐ No ☒

The registrant had 56,522,699 shares of common stock outstanding as of July 31, 2026.

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Orion S.A.
PART I - Financial Information
Item 1. Financial Statements and Supplementary Data (Unaudited)

Condensed Consolidated Statements of Operations

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(In millions, except share and per share data)			
Net sales	\$ 500.9	\$ 466.4	\$ 960.4	\$ 944.1
Cost of sales	407.9	368.0	788.2	747.6
Gross profit	93.0	98.4	172.2	196.5
Selling, general and administrative expenses	62.7	57.7	121.8	116.1
Research and development costs	7.2	6.5	14.5	13.1
Other expenses, net	1.8	2.1	3.2	4.0
Income from operations	21.3	32.1	32.7	63.3
Interest and other financial expense, net	16.3	19.1	31.0	32.8
Income before earnings in affiliated companies and income taxes	5.0	13.0	1.7	30.5
Income tax expense	3.4	4.6	10.1	13.5
Earnings in affiliated companies, net of tax	0.2	0.6	0.3	1.1
Net income (loss)	\$ 1.8	\$ 9.0	\$ (8.1)	\$ 18.1
Weighted-average shares outstanding (in thousands):				
Basic	56,292	56,153	56,333	56,603
Diluted	57,271	56,320	56,333	56,829
Earnings (loss) per share:				
Basic	\$ 0.03	\$ 0.16	\$ (0.14)	\$ 0.32
Diluted	0.03	0.16	(0.14)	0.32

See accompanying Notes to these Condensed Consolidated Financial Statements.

Orion S.A.
Condensed Consolidated Statements of Comprehensive Income

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(In millions)			
Net income (loss)	\$ 1.8	\$ 9.0	\$ (8.1)	\$ 18.1
Other comprehensive income (loss), net of tax				
Foreign currency translation adjustments	0.6	(2.6)	4.2	—
Net losses on derivatives	(2.2)	(2.0)	(0.5)	(3.5)
Defined benefit plans, net	—	(0.1)	(0.1)	(0.2)
Other comprehensive income (loss)	(1.6)	(4.7)	3.6	(3.7)
Comprehensive income (loss)	\$ 0.2	\$ 4.3	\$ (4.5)	\$ 14.4

See accompanying Notes to these Condensed Consolidated Financial Statements.

Orion S.A.
Condensed Consolidated Balance Sheets

	June 30, 2026	December 31, 2025
	(In millions, except share data)	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 50.8	\$ 60.7
Accounts receivable, net	300.4	213.6
Inventories, net	275.5	277.3
Income tax receivables	30.3	25.3
Prepaid expenses and other current assets	76.6	66.9
Total current assets	733.6	643.8
Property, plant and equipment, net	1,045.4	1,069.6
Right-of-use assets	129.5	125.8
Intangible assets, net	9.9	14.2
Investment in equity method affiliates	13.6	13.1
Deferred income tax assets	28.3	20.5
Other assets	26.7	20.6
Total non-current assets	1,253.4	1,263.8
Total assets	\$ 1,987.0	\$ 1,907.6
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 218.0	\$ 197.0
Current portion of long-term debt and other financial liabilities	356.8	305.0
Accrued liabilities	74.3	50.1
Income taxes payable	8.5	20.2
Other current liabilities	58.0	54.1
Total current liabilities	715.6	626.4
Long-term debt, net	652.9	674.5
Employee benefit plan obligation	57.4	58.4
Deferred income tax liabilities	43.1	28.0
Other liabilities	137.7	135.7
Total non-current liabilities	891.1	896.6
Commitments and contingencies		
Stockholders' equity		
Common stock		
Authorized: 65,992,259 and 65,992,259 shares with no par value		
Issued – 60,992,259 and 60,992,259 shares with no par value		
Outstanding – 56,522,699 and 56,154,794 shares	85.3	85.3
Treasury stock, at cost, 4,469,560 and 4,837,465 shares	(78.0)	(90.8)
Additional paid-in capital	71.1	80.2
Retained earnings	370.6	382.2
Accumulated other comprehensive loss	(68.7)	(72.3)
Total stockholders' equity	380.3	384.6
Total liabilities and stockholders' equity	\$ 1,987.0	\$ 1,907.6

See accompanying Notes to these Condensed Consolidated Financial Statements.

Orion S.A.
Condensed Consolidated Statements of Cash Flows

	Six Months Ended June 30,	
	2026	2025
	(In millions)	
Cash flows from operating activities:		
Net income (loss)	\$ (8.1)	\$ 18.1
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of property, plant and equipment and amortization of intangible assets and right of use assets	65.6	63.5
Amortization of debt issuance costs	2.4	0.8
Share-based compensation	4.4	6.3
Deferred taxes	7.9	(17.5)
Foreign currency transactions	3.4	(8.3)
Changes in operating assets and liabilities, net:		
Trade receivables	(91.6)	(39.7)
Inventories	(4.3)	26.9
Trade payables	46.3	(1.1)
Other provisions	26.4	(10.6)
Income tax liabilities	(15.6)	6.3
Other assets and liabilities, net	(21.9)	9.4
Net cash provided by operating activities	14.9	54.1
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(61.5)	(71.4)
Net cash used in investing activities	(61.5)	(71.4)
Cash flows from financing activities:		
Repayments of long-term debt	(14.3)	(4.4)
Payments for debt issue costs	(4.7)	—
Cash inflows related to current financial liabilities	122.0	97.8
Cash outflows related to current financial liabilities	(62.5)	(52.2)
Dividends paid	(2.3)	(2.4)
Repurchase of Common stock	(0.8)	(24.8)
Net cash provided by financing activities	37.4	14.0
Decrease in cash, cash equivalents and restricted cash	(9.2)	(3.3)
Cash, cash equivalents and restricted cash at the beginning of the period	61.2	44.7
Effect of exchange rate changes on cash	0.3	2.7
Cash, cash equivalents and restricted cash at the end of the period	52.3	44.1
Less restricted cash at the end of the period	1.5	1.5
Cash and cash equivalents at the end of the period	\$ 50.8	\$ 42.6

See accompanying Notes to these Condensed Consolidated Financial Statements.

Orion S.A.
Condensed Consolidated Statements of Changes in Stockholders' Equity

(In millions, except share and per share amounts)	Common stock		Treasury shares	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss	Total
	Number	Amount					
Balance at January 1, 2026	56,154,794	\$ 85.3	\$ (90.8)	\$ 80.2	\$ 382.2	\$ (72.3)	\$ 384.6
Net loss	—	—	—	—	(9.9)	—	(9.9)
Other comprehensive income, net of tax	—	—	—	—	—	5.2	5.2
Dividends \$0.02 per share	—	—	—	—	(1.2)	—	(1.2)
Repurchases of Common stock	(158,955)	—	(0.8)	—	—	—	(0.8)
Stock based compensation	—	—	—	1.4	—	—	1.4
Issuance of stock under equity compensation plans	392,810	—	11.0	(10.8)	—	—	0.2
Balance at March 31, 2026	56,388,649	\$ 85.3	\$ (80.6)	\$ 70.8	\$ 371.1	\$ (67.1)	\$ 379.5
Net income	—	—	—	—	1.8	—	1.8
Other comprehensive loss, net of tax	—	—	—	—	—	(1.6)	(1.6)
Dividends \$0.04 per share	—	—	—	—	(2.3)	—	(2.3)
Stock based compensation	—	—	—	3.0	—	—	3.0
Issuance of stock under equity compensation plans	134,050	—	2.6	(2.7)	—	—	(0.1)
Balance at June 30, 2026	56,522,699	\$ 85.3	\$ (78.0)	\$ 71.1	\$ 370.6	\$ (68.7)	\$ 380.3

Balance at January 1, 2025	57,242,372	\$ 85.3	\$ (82.2)	\$ 84.7	\$ 457.0	\$ (69.9)	\$ 474.9
Net income	—	—	—	—	9.1	—	9.1
Other comprehensive income, net of tax	—	—	—	—	—	1.0	1.0
Dividends \$0.02 per share	—	—	—	—	(1.2)	—	(1.2)
Repurchases of Common stock	(1,358,316)	—	(19.8)	—	—	—	(19.8)
Stock based compensation	—	—	—	2.7	—	—	2.7
Issuance of stock under equity compensation plans	575,310	—	14.3	(14.9)	—	—	(0.6)
Balance at March 31, 2025	56,459,366	\$ 85.3	\$ (87.7)	\$ 72.5	\$ 464.9	\$ (68.9)	\$ 466.1
Net income	—	—	—	—	9.0	—	9.0
Other comprehensive loss, net of tax	—	—	—	—	—	(4.7)	(4.7)
Dividends \$0.04 per share	—	—	—	—	(2.3)	—	(2.3)
Repurchases of Common stock	(444,790)	—	(5.0)	—	—	—	(5.0)
Stock based compensation	—	—	—	3.6	—	—	3.6
Issuance of stock under equity compensation plans	31,650	—	2.4	(2.6)	—	—	(0.2)
Balance at June 30, 2025	56,046,226	\$ 85.3	\$ (90.3)	\$ 73.5	\$ 471.6	\$ (73.6)	\$ 466.5

See accompanying Notes to these Condensed Consolidated Financial Statements.

Orion S.A
Notes to the Condensed Consolidated Financial Statement (Unaudited)

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Orion S.A
Notes to the Condensed Consolidated Financial Statements—(continued)

Note A. Organization, Description of the Business and Summary of Significant Accounting Policies

Orion S.A.'s unaudited Condensed Consolidated Financial Statements include Orion S.A. and its subsidiaries ("Orion" or the "Company"). The unaudited Condensed Consolidated Financial Statements have been prepared in accordance with the United States ("U.S.") Generally Accepted Accounting Principles ("GAAP") and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for annual financial statements. These financial statements should be read in conjunction with the Consolidated Financial Statements included in our Annual Report in Form 10-K for the year ended December 31, 2025.

The accompanying unaudited Condensed Consolidated Financial Statements include all adjustments that are necessary for the fair presentation of our results for the interim periods presented. These statements contain some amounts that are based upon management estimates and judgments. Future actual results could differ from such current estimates. Results for interim periods are not necessarily indicative of results to be expected for the full year.

Summary of Significant Accounting Policies—Accounting Standards Adopted

Interim Reporting—In December 2025, the FASB issued ASU No. 2025-11, Interim Reporting (Topic 270): *Narrow-Scope Improvements*. This ASU creates a comprehensive list of interim disclosures required under U.S. GAAP and incorporates a disclosure principle that requires disclosures at interim periods when an event or change that has a material effect on an entity has occurred since the previous year end. The guidance is effective for annual reporting periods beginning after December 15, 2027, and interim periods within those annual reporting periods. Early adoption is permitted. The ASU may be applied prospectively or retrospectively.

On January 1, 2026, we adopted this ASU. The adoption of this ASU did not materially impact our Condensed Consolidated Financial Statements.

Summary of Significant Accounting Policies—Accounting Standards Not Yet Adopted

Environmental Credits and Environmental Credit Obligations—In May 2026, the FASB issued ASU No. 2026-02, *Environmental Credits and Environmental Credit Obligations (Topic 818)*. This ASU establishes guidance on the recognition, measurement, presentation, and disclosure of environmental credits and environmental credit obligations. Under the new standard, an entity will recognize and measure environmental credit assets based on their intended use as well as how the credits are obtained. Environmental credit obligations will be recognized and measured depending on whether an entity holds and expects to use compliance environmental credits to settle that obligation.

This guidance is effective for annual periods beginning after December 15, 2027 (including interim periods within). Early adoption permitted. Entities are required to adopt the amendments on a retrospective basis by recognizing a cumulative effect adjustment to retained earnings at the date of initial application (i.e., prior reporting periods will not be recast).

We are currently assessing the impact of adoption of this new ASU. However, we believe the adoption of this ASU will not materially impact our Consolidated Financial Statements.

Government Grants—In December 2025, the FASB issued ASU No. 2025-10, Government Grants (Topic 832), *Accounting for Government Grants Received by Business Entities*. This ASU adds guidance to the existing Accounting Standards Codification ("ASC") 832, Government Assistance, on the recognition, measurement and presentation of a government grant received by a business entity. This guidance leverages the principles in the accounting framework for government assistance in International Financial Reporting Standards ("IFRS"), specifically IAS 20, Accounting for Government Grants and Disclosure of Government Assistance; makes certain targeted improvements; and modifies certain existing disclosure requirements in ASC 832. The guidance is effective for annual reporting periods beginning after December 15, 2028 and interim periods within those annual reporting periods. Early adoption is permitted.

We are currently assessing the impact of adoption of this new ASU. However, we believe the adoption of this ASU will not materially impact our Consolidated Financial Statements.

Intangible Assets—In September 2025, the FASB issued Accounting Standards Update No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* ("ASU 2025-06"). This ASU 2025-06 amends the existing standard that refers to various stages of a software development project to align better with current software development methods, such as agile programming.

Under the new standard, entities will start capitalizing eligible costs when (1) management has authorized and committed to funding the software project, and (2) it is probable that the project will be completed and the software will be used to perform the function intended. In evaluating whether it is probable the project will be completed, an entity is required to consider whether there is significant uncertainty associated with the development activities of the software.

The new guidance will be effective for all entities for annual periods beginning after December 15, 2027. The guidance can be applied on a fully prospective basis, a modified basis for in-process projects, or a full retrospective basis.

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Notes to the Condensed Consolidated Financial Statements—(continued)

We are currently assessing the impact of adopting the new guidance in our Consolidated Financial Statements.

Consolidated Statements of Operations—In November 2024, the FASB issued Accounting Standards Update No. 2024-03, and in January 2025, ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)* (“ASU 2024-03”) and *Clarifying the Effective Date* (“ASU 2024-01”), respectively. These ASUs require public entities to disclose, on an annual and interim basis, disaggregated information about certain income statement expense line items.

These ASUs do not change the expense captions an entity presents in the face of its Consolidated Statements of Operations. Rather, it requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the Consolidated Financial Statements.

These ASUs are effective for fiscal years beginning after December 15, 2026 and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted.

The adoption of this ASU will require additional disclosures in our Consolidated Financial Statements.

Note B. Accounts Receivable

Accounts receivable, net of allowance for credit losses, are as follows:

	June 30, 2026	December 31, 2025
	(In millions)	
Accounts receivable	\$ 301.5	\$ 215.0
Expected credit losses	(1.1)	(1.4)
Accounts receivable, net	\$ 300.4	\$ 213.6

Accounts Receivable Factoring Facilities—For the three months ended June 30, 2026 and 2025 the gross amount of receivables sold were \$101.3 million and \$125.7 million, respectively. For the six months ended June 30, 2026 and 2025 the gross amount of receivables sold were \$197.3 million and \$228.2 million, respectively.

For the three months ended June 30, 2026 and 2025 the loss on receivables sold was approximately \$1.1 million and \$1.4 million, respectively. For the six months ended June 30, 2026 and 2025 the loss on receivables sold was approximately \$2.0 million and \$2.6 million, respectively.

In the Condensed Consolidated Statements of Operations, the loss on receivables sold is reflected in Other expenses, net.

Note C. Inventories

Inventories, net of reserves, are as follows:

	June 30, 2026	December 31, 2025
	(In millions)	
Raw materials, consumables and supplies, net	\$ 120.3	\$ 108.9
Finished goods, net	155.2	168.4
Inventories, net	\$ 275.5	\$ 277.3

Orion S.A
Notes to the Condensed Consolidated Financial Statements—(continued)

Note D. Debt and Other Obligations

Debt and other obligations are as follows:

	June 30, 2026	December 31, 2025
	(In millions)	
Current		
Current portion of Term-Loan	\$ 1.5	\$ 3.0
Deferred debt issuance costs - Term-Loan	(0.8)	(0.9)
Current portion of China Term-Loan	13.5	13.1
Other short-term debt and obligations	342.6	289.8
Current portion of long-term debt and other financial liabilities	356.8	305.0
Non-current		
Term-Loan	620.1	636.7
Deferred debt issuance costs - Term-Loan	(1.0)	(1.5)
China Term-Loan	33.8	39.3
Long-term debt, net	652.9	674.5
Total	\$ 1,009.7	\$ 979.5

Other short-term debt and obligations are as follows:

	June 30, 2026	December 31, 2025
	(In millions)	
Revolving Credit Facility	\$ 125.3	\$ 58.8
Ancillary Credit Facilities		
OEC GmbH outstanding borrowings	127.1	127.9
OEC LLC outstanding borrowings	12.5	19.4
OEC Huaibei outstanding borrowings	—	4.6
Korea Working Capital Loans (capacity \$46.7 million)		
Uncommitted	1.6	1.7
Committed	12.9	17.3
China Working Capital Loans (capacity \$18.0 million)	14.3	17.1
Repurchase Agreement	48.9	43.0
Total of Other Short-term Debt and Obligations	\$ 342.6	\$ 289.8
Supplemental information:		
Total ancillary capacity - EUR	€ 234.0	€ 234.0
Total ancillary capacity - U.S. Dollars	\$ 266.6	\$ 275.0

Revolving credit facility

As of June 30, 2026, total capacity under our Revolving credit facility (“RCF”) and ancillary facilities is €350 million (\$398.8 million). As of June 30, 2026 and December 31, 2025, availability under the RCF and ancillary facilities were \$127.5 million and \$193.0 million, respectively.

We classify amounts outstanding under the RCF as current in our Condensed Consolidated Balance Sheets as the borrowings are for short-term working capital needs, typically for one-month period, and based on management’s intention to repay the amounts outstanding within one year from the date of drawing.

Repurchase Agreement—We entered into repurchase agreements to sell European Emission Allowance (“EUA”) certificates as follows:

- On January 21, 2026, we sold approximately 320 thousand EUA certificates for €27.1 million cash to another counterparty and concurrently entered an agreement to repurchase the EUA certificates. We repurchased the EUA certificates on July 27, 2026 for €27.5 million.

Orion S.A
Notes to the Condensed Consolidated Financial Statements—(continued)

- On January 21, 2026, we sold 186 thousand EUA certificates for €15.8 million cash to another counterparty and concurrently entered an agreement to repurchase the EUA certificates. We repurchased the EUA certificates on July 27, 2026 for €16.0 million.

The difference between the consideration received and the amount of consideration paid was recognized as interest expense. At June 30, 2026, the amount outstanding, including accrued interest, was €43.4 million (\$49.5 million).

As of June 30, 2026, we are in compliance with our debt covenants.

For additional information relating to our debt, see “*Note J. Debt and Other Obligations*”, included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Note E. Financial Instruments and Fair Value Measurement

Risk management

We have policies governing the use of derivative instruments and do not enter into financial instruments for trading or speculative purposes.

By using derivative instruments, we are subject to credit and market risk. To minimize counterparty credit (or repayment) risk, we enter into transactions primarily with investment grade financial institutions. The market risk exposure is not hedged in a manner to completely eliminate the effects of changing market conditions on earnings or cash flow.

No significant concentration of credit risk existed at June 30, 2026 or at December 31, 2025.

Fair value measurement

The following table summarizes outstanding financial instruments that are measured at fair value on a recurring basis:

	June 30, 2026		December 31, 2025		Balance Sheet Classification
	Notional Amount	Fair Value	Notional Amount	Fair Value	
	(In millions)				
Assets					
Derivatives designated as hedges:					
Cross currency swaps	\$ 197.0	\$ 16.8	\$ 197.0	\$ 12.2	Other financial assets (non-current)
Interest rate swaps	227.9	3.0	235.0	1.8	Other financial assets (non-current)
Total	\$ 424.9	\$ 19.8	\$ 432.0	\$ 14.0	

All financial instruments in the table above are classified as Level 2. We present the gross assets and liabilities of our derivative financial instruments in the Condensed Consolidated Balance Sheets.

For financial assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period. There were no transfers of assets measured at fair value between Level 1 and Level 2 and there were no Level 3 investments during 2026 or 2025.

The following table presents the carrying value and estimated fair value of our financial instruments that are not measured at fair value on a recurring basis for the periods presented. Short-term and Long-term debt are recorded at amortized cost in the Condensed Consolidated Balance Sheets.

	June 30, 2026		December 31, 2025	
	Notional Amount	Fair Value	Notional Amount	Fair Value
	(In millions)			
Liabilities:				
Term-Loan	\$ 621.6	\$ 522.5	\$ 639.7	\$ 582.8
China Term-Loan	47.3	47.9	52.4	52.9
Total	\$ 668.9	\$ 570.4	\$ 692.1	\$ 635.7

Liabilities in the table above are classified as Level 2.

At both June 30, 2026 and December 31, 2025, the fair values of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities and short-term borrowings approximated their carrying values due to the short-term nature of these instruments.

Orion S.A
Notes to the Condensed Consolidated Financial Statements—(continued)

The following tables summarize the pre-tax effect of derivative and non-derivative instruments recorded in Accumulated other comprehensive income (loss) (“AOCI”), the gains (losses) reclassified from AOCI to earnings and additional gains (losses) recognized directly in earnings:

Effect of Financial Instruments					
Three Months Ended June 30,					
	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI to Income		Income Statement Classification
	2026	2025	2026	2025	
	(In millions)				
Derivatives designated as hedges:					
Cross currency swaps	\$ (1.4)	\$ (2.6)	\$ (0.3)	\$ 0.2	Interest and other financial expense, net
Interest rate swaps	(1.2)	0.5	—	—	Interest and other financial expense, net
Total	<u>\$ (2.6)</u>	<u>\$ (2.1)</u>	<u>\$ (0.3)</u>	<u>\$ 0.2</u>	

Effect of Financial Instruments					
Six Months Ended June 30,					
	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI to Income		Income Statement Classification
	2026	2025	2026	2025	
	(In millions)				
Derivatives designated as hedges:					
Cross currency swaps	\$ (1.3)	\$ (4.6)	\$ (0.6)	\$ (0.1)	Interest and other financial expense, net
Interest rate swaps	1.2	0.5	—	—	Interest and other financial expense, net
Total	<u>\$ (0.1)</u>	<u>\$ (4.1)</u>	<u>\$ (0.6)</u>	<u>\$ (0.1)</u>	

Cross currency and interest rate swaps are designated as cash flow hedges of principal and interest payments related to our Term-Loans, which mature in September 2028.

In the next twelve months, approximately \$1.2 million recognized in AOCI related to cash flow hedges will be reclassified to the Condensed Consolidated Statement of Operations.

See “Note K. Financial Instruments and Fair Value Measurement”, included in our Annual Report on Form 10-K for the year ended December 31, 2025, for additional information relating to our derivatives instruments.

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Notes to the Condensed Consolidated Financial Statements—(continued)

Note F. Accumulated Other Comprehensive Income (Loss)

Changes in each component of AOCI, net of tax, are as follows:

	Currency Translation Adjustments	Hedging Activities Adjustments	Pension and Other Postretirement Benefit Liability Adjustment	Total
	(In millions)			
Balance at January 1, 2026	\$ (83.9)	\$ 7.6	\$ 4.0	\$ (72.3)
Other comprehensive income (loss) before reclassifications	3.5	2.5	—	6.0
Income tax effects before reclassifications	0.1	(0.8)	—	(0.7)
Amounts reclassified from AOCI	—	(0.3)	—	(0.3)
Income tax effects on reclassifications	—	0.1	—	0.1
Currency translation AOCI	—	0.2	(0.1)	0.1
Balance at March 31, 2026	(80.3)	9.3	3.9	(67.1)
Other comprehensive income (loss) before reclassifications	0.7	(2.8)	—	(2.1)
Income tax effects before reclassifications	(0.1)	0.9	—	0.8
Amounts reclassified from AOCI	—	(0.3)	—	(0.3)
Income tax effects on reclassifications	—	0.1	—	0.1
Currency translation AOCI	—	(0.1)	—	(0.1)
Balance at June 30, 2026	\$ (79.7)	\$ 7.1	\$ 3.9	\$ (68.7)
Balance at January 1, 2025	\$ (79.4)	\$ 10.8	\$ (1.3)	\$ (69.9)
Other comprehensive income (loss) before reclassifications	2.3	(2.8)	—	(0.5)
Income tax effects before reclassifications	0.3	0.9	—	1.2
Amounts reclassified from AOCI	—	(0.3)	—	(0.3)
Income tax effects on reclassifications	—	0.1	—	0.1
Currency translation AOCI	—	0.6	(0.1)	0.5
Balance at March 31, 2025	(76.8)	9.3	(1.4)	(68.9)
Other comprehensive income (loss) before reclassifications	(3.0)	(3.6)	—	(6.6)
Income tax effects before reclassifications	0.4	0.5	—	0.9
Amounts reclassified from AOCI	—	0.2	—	0.2
Income tax effects on reclassifications	—	(0.1)	—	(0.1)
Currency translation AOCI	—	1.0	(0.1)	0.9
Balance at June 30, 2025	\$ (79.4)	\$ 7.3	\$ (1.5)	\$ (73.6)

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Notes to the Condensed Consolidated Financial Statements—(continued)

Note G. Earnings Per Share

Basic earnings per share (“EPS”) is computed by dividing Net income (loss) attributable to Orion by the weighted average number of common stock outstanding during the period. Diluted EPS equals Net income (loss) attributable to Orion divided by the weighted average number of common stock outstanding during the period, adjusted for the dilutive effect of our stock-based and other equity compensation awards.

The following table reflects the income and share data used in the basic and diluted EPS computations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
(In millions, except share and per share data)				
Net income (loss) attributable to ordinary equity holders	\$ 1.8	\$ 9.0	\$ (8.1)	\$ 18.1
Weighted average number of Common stock (in thousands)	56,292	56,153	56,333	56,603
Basic Earnings (loss) per share	\$ 0.03	\$ 0.16	\$ (0.14)	\$ 0.32
Dilutive effect of share based payments (in thousands)	979	167	—	226
Weighted average number of diluted Common stock (in thousands)	57,271	56,320	56,333	56,829
Diluted Earnings (loss) per share	\$ 0.03	\$ 0.16	\$ (0.14)	\$ 0.32

Note H. Income Taxes

The Company records its tax provision or benefit on an interim basis using an estimated annual effective tax rate. This rate is applied to the current period ordinary income to determine the income tax provision or benefit allocated to the interim period. Losses from jurisdictions for which no benefit can be recognized and the income tax effects of unusual and infrequent items are excluded from the estimated annual effective tax rate and are recognized in the impacted interim period as discrete items. Valuation allowances are provided against any future tax benefits that arise from losses in jurisdictions for which no benefit can be recognized. The estimated annual effective tax rate may be significantly impacted by nondeductible expenses and by the Company’s projected earnings mix by tax jurisdiction. Adjustments to the estimated annual effective income tax rate are recognized in the period when such estimates are revised.

Income tax expense for the three months ended June 30, 2026 and 2025 was \$3.4 million and \$4.6 million, respectively. Income tax expense for the six months ended June 30, 2026 and 2025 was \$10.1 million and \$13.5 million, respectively.

Our effective income tax rates were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Effective income tax rates	65.4 %	35.4 %	505.0 %	44.3 %

Our effective tax rate for the three months ended June 30, 2026 and 2025 were 65.4% and 35.4%, respectively. Projected pre-tax income mix in countries with varying statutory tax rates and valuation allowances on tax losses determines our effective tax rate.

Our effective tax rate for the six months ended June 30, 2026 and 2025 were 505.0% and 44.3%, respectively. Projected pre-tax income mix in countries with varying statutory tax rates and valuation allowances on tax losses determines our effective tax rate.

Note I. Commitments and Contingencies

Legal Proceedings—We are subject to various lawsuits and claims including, but not limited to, matters involving contract disputes, environmental damages, personal injury and property damage. We vigorously defend ourselves and prosecute these matters as appropriate. We regularly assess the adequacy of legal accruals based on our professional judgment, experience and the information available regarding our cases.

The outcome of legal proceedings is inherently uncertain and we offer no assurances as to the outcome of any of these matters or their effect on the Company.

Based on consideration of all relevant facts and circumstances, we do not believe the ultimate outcome of any currently pending lawsuit against us will have a material adverse effect upon our operations, financial condition or the Condensed Consolidated Financial Statements.

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Notes to the Condensed Consolidated Financial Statements—(continued)

Pledges and Guarantees

The Company has pledged the majority of its assets (amongst others shares in affiliates, bank accounts and receivables) within the different regions in which it operates excluding China as collateral under its debt agreements. As of June 30, 2026, the Company had guarantees totaling \$35.7 million issued by various financial institutions.

Note J. Financial Information by Segment

Segment information

We disclose the results of each of our operating segments in accordance with ASC 280, *Segment Reporting*. We manage our business in two operating segments as follows:

- *Rubber Carbon Black*—Used in the reinforcement of rubber in tires and mechanical rubber goods, and
- *Specialty Carbon Black*—Used for protection, colorization and conductivity in coatings, polymers, batteries, printing and other special applications.

Corporate includes income and expenses that cannot be directly allocated to the business segments or that are managed at the corporate level. This includes finance income and expenses, taxes and items with less bearing on the underlying core business.

Our operations are managed by senior executives who report to our Chief Executive Officer (“CEO”), who is our *chief operating decision maker* (“CODM”). Discrete financial information is available for each of our reportable segments. The CODM reviews segment Adjusted EBITDA and related segment operating results as drivers of Adjusted EBITDA to allocate resources and to assess operating results and financial performance. The CODM reviews changes in actual results compared to prior periods, forecasts, and operating objectives. Segment Adjusted EBITDA includes items management considers representative of the underlying performance of each segment.

Our CODM uses Adjusted EBITDA as the primary measure for reviewing our segment profitability. We define Adjusted EBITDA as Income from operations before depreciation and amortization, stock-based compensation, and non-recurring items (such as restructuring expenses, Loss (recovery) due to misappropriation of assets, net, Goodwill impairment, etc.) plus Earnings in affiliated companies, net of tax.

The CODM does not review reportable segment asset or liability information for purposes of assessing performance or allocating resources.

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Notes to the Condensed Consolidated Financial Statements—(continued)

Segment operating results for the three months ended June 30, 2026 and 2025 are as follows:

	<u>Rubber</u>	<u>Specialty</u>	<u>Corporate</u>	<u>Total</u>
	(In millions)			
2026				
Net sales from external customers	\$ 316.1	\$ 184.8	\$ —	\$ 500.9
Less:				
Cost of Sales	277.4	130.5	—	407.9
Selling, general and administrative expenses	36.3	26.3	0.1	62.7
Other segment items	4.2	3.9	0.9	9.0
Add:				
Equity in earnings of affiliated companies, net of tax	0.2	—	—	0.2
LTIP and other non-operating charges	1.3	1.5	1.0	3.8
Depreciation and amortization of intangible assets, right of use assets, and property, plant and equipment	19.5	13.4	—	32.9
Adjusted EBITDA	\$ 19.2	\$ 39.0	\$ —	\$ 58.2
Capital expenditures	4.6	20.8	—	25.4
2025				
Net sales from external customers	\$ 308.3	\$ 158.1	\$ —	\$ 466.4
Less:				
Cost of Sales	242.5	125.5	—	368.0
Selling, general and administrative expenses	34.2	23.2	0.3	57.7
Other segment items	3.3	4.8	0.5	8.6
Add:				
Equity in earnings of affiliated companies, net of tax	0.6	—	—	0.6
LTIP and other non-operating charges	1.0	2.3	0.8	4.1
Depreciation and amortization of intangible assets, right of use assets, and property, plant and equipment	19.0	13.0	—	32.0
Adjusted EBITDA	\$ 48.9	\$ 19.9	\$ —	\$ 68.8
Capital expenditures	16.8	25.4	—	42.2

Other segment items—Other segment items for each reportable segment includes Research and Development costs and Other expense (income), net.

Orion S.A
Notes to the Condensed Consolidated Financial Statements—(continued)

Segment operating results for the six months ended June 30, 2026 and 2025 are as follows:

	Rubber	Specialty	Corporate	Total
	(In millions)			
2026				
Net sales from external customers	\$ 605.9	\$ 354.5	\$ —	\$ 960.4
Less:				
Cost of Sales	531.2	257.0	—	788.2
Selling, general and administrative expenses	70.1	51.2	0.5	121.8
Other segment items	8.0	8.4	1.3	17.7
Add:				
Equity in earnings of affiliated companies, net of tax	0.3	—	—	0.3
LTIP and other non-operating charges	1.9	2.0	1.8	5.7
Depreciation and amortization of intangible assets, right of use assets, and property, plant and equipment	39.4	26.2	—	65.6
Adjusted EBITDA	\$ 38.2	\$ 66.1	\$ —	\$ 104.3
Assets	\$ 1,145.6	\$ 703.0	\$ 138.4	\$ 1,987.0
Capital expenditures	20.4	41.1	—	61.5
2025				
Net sales from external customers	\$ 625.3	\$ 318.8	\$ —	\$ 944.1
Less:				
Cost of Sales	501.4	246.2	—	747.6
Selling, general and administrative expenses	70.3	45.2	0.6	116.1
Other segment items	7.9	8.4	0.8	17.1
Add:				
Equity in earnings of affiliated companies, net of tax	1.1	—	—	1.1
LTIP and other non-operating charges	2.8	2.9	1.4	7.1
Depreciation and amortization of intangible assets, right of use assets, and property, plant and equipment	40.1	23.4	—	63.5
Adjusted EBITDA	\$ 89.7	\$ 45.3	\$ —	\$ 135.0
Assets	\$ 1,130.3	\$ 765.5	\$ 129.1	\$ 2,024.9
Capital expenditures	30.9	40.5	—	71.4

Other segment items—Other segment items for each reportable segment includes Research and Development costs and Other expense (income), net.

A reconciliation of Income before earnings in affiliated companies and income taxes to Adjusted EBITDA for each of the periods presented is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(In millions)			
Income before earnings in affiliated companies and income taxes	\$ 5.0	\$ 13.0	\$ 1.7	\$ 30.5
LTIP and other non-operating charges	3.8	4.1	5.7	7.1
Depreciation and amortization of intangible assets, right of use assets, and property, plant and equipment	32.9	32.0	65.6	63.5
Equity in earnings of affiliated companies, net of tax	0.2	0.6	0.3	1.1
Interest and other financial expense, net	16.3	19.1	31.0	32.8
Adjusted EBITDA	\$ 58.2	\$ 68.8	\$ 104.3	\$ 135.0

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Notes to the Condensed Consolidated Financial Statements—(continued)

Long term incentive plan (“LTIP”) and other non-operating charges include the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(In millions)			
Long term incentive plan	\$ 3.0	\$ 3.6	\$ 4.4	\$ 6.3
Other non-operating	0.8	0.5	1.3	0.8
LTIP and other non-operating charges	\$ 3.8	\$ 4.1	\$ 5.7	\$ 7.1



Orion S.A.

Management's Discussion and Analysis of Financial Condition and Results of Operation

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

The following discussion and analysis summarizes the significant factors affecting our results of operations and financial condition during the three and six months ended June 30, 2026 and 2025 and should be read in conjunction with the information included under Item 1. *Financial Statements and Supplementary Data (Unaudited)* elsewhere in this report. Results for the three and six month periods ended June 30, 2026 are not necessarily indicative of results that may be expected for the entire year.

We prepare our financial statements in accordance with accounting principles generally accepted in the United States ("GAAP").

Unless otherwise indicated, the "Company," "we," "us," "our" or similar words are used to refer to Orion S.A. together with its consolidated subsidiaries ("Orion S.A.").

Key Factors Affecting Our Results of Operations

This section should be read in conjunction with the discussion under *Drivers of Demand*, in *Part 1, Item 1. Business* in our Annual Report in Form 10-K for the year ended December 31, 2025, for drivers and factors that are likely to have an impact on our operating results. For segment drivers, refer to Segment Discussion elsewhere in this document.

Operating Results

Operating results for the periods discussed as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	Delta		2026	2025	Delta	
	(In millions)		%		(In millions)		%	
Net sales	\$ 500.9	\$ 466.4	\$ 34.5	7	\$ 960.4	\$ 944.1	\$ 16.3	2
Cost of sales	407.9	368.0	39.9	11	788.2	747.6	40.6	5
Gross profit	93.0	98.4	(5.4)	(5)	172.2	196.5	(24.3)	(12)
Selling, general and administrative expenses	62.7	57.7	5.0	9	121.8	116.1	5.7	5
Research and development costs	7.2	6.5	0.7	11	14.5	13.1	1.4	11
Other expenses, net	1.8	2.1	(0.3)	(14)	3.2	4.0	(0.8)	(20)
Income from operations	21.3	32.1	(10.8)	(34)	32.7	63.3	(30.6)	(48)
Interest and other financial expense, net	16.3	19.1	(2.8)	(15)	31.0	32.8	(1.8)	(5)
Income before earnings in affiliated companies and income taxes	5.0	13.0	(8.0)	(62)	1.7	30.5	(28.8)	(94)
Income tax expense	3.4	4.6	(1.2)	(26)	10.1	13.5	(3.4)	(25)
Earnings in affiliated companies, net of tax	0.2	0.6	(0.4)	(67)	0.3	1.1	(0.8)	(73)
Net income (loss)	1.8	9.0	(7.2)	(80)	(8.1)	18.1	(26.2)	(145)
Other comprehensive income (loss), net of tax								
Foreign currency translation adjustments	0.6	(2.6)	3.2	(123)	4.2	—	4.2	N/A
Net losses on derivatives	(2.2)	(2.0)	(0.2)	10	(0.5)	(3.5)	3.0	(86)
Defined benefit plans, net	—	(0.1)	0.1	(100)	(0.1)	(0.2)	0.1	(50)
Total other comprehensive income, net of tax	(1.6)	(4.7)	3.1	(66)	3.6	(3.7)	7.3	(197)
Comprehensive income (loss)	\$ 0.2	\$ 4.3	\$ (4.1)	(95)	\$ (4.5)	\$ 14.4	\$ (18.9)	(131)

Operating Results Discussion

For the three months ended June 30, 2026 compared to three months ended June 30, 2025

Net sales

Net sales for the three months ended June 30, 2026 increased by \$34.5 million, or 7%, year over year to \$500.9 million, primarily due to a 9% favorable pass-through effect of higher year-over-year oil prices driven by the conflict in the Middle East and 2% favorable foreign exchange rate impact due to weakening of U.S. dollar versus the euro and other major currencies. The favorable variances were partially offset by unfavorable pricing of 2%, owing primarily to annual contract agreements in the Rubber Carbon Black segment and 1% lower volumes primarily driven by lower tire production rates in the Americas as well as softer year-over-year original equipment ("OE") manufacturer demand in the Americas and Asia Pacific regions.

Cost of sales

Cost of sales for the three months ended June 30, 2026 increased by \$39.9 million, or 11%, year over year to \$407.9 million, mainly due to

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Management's Discussion and Analysis of Financial Condition and Results of Operation

feedstocks linked to higher oil costs driven by the Middle East conflict.

Gross profit

Gross profit for the three months ended June 30, 2026 decreased by \$5.4 million, or 5%, year over year to \$93.0 million. The decrease was primarily driven by an unfavorable pricing impact of 11%, owing primarily to annual contract agreements in the Rubber Carbon Black segment, partially offset by a 4% favorable volume impact and 3% favorable foreign exchange rate impact.

Selling, general and administrative expenses

Selling, general and administrative expenses for the three months ended June 30, 2026 increased by \$5.0 million, or 9%, year over year to \$62.7 million. The increase was driven 4% due to higher freight and distribution expenses and 3% higher variable compensation.

Provision for income taxes

Income before earnings in affiliated companies and income taxes for the three months ended June 30, 2026 decreased by \$8.0 million, or 62%, year over year to \$5.0 million.

Income tax expense for the three months ended June 30, 2026 and 2025 was \$3.4 million and \$4.6 million, respectively. Income tax expense is primarily determined based on the projected pre-tax income mix in countries with varying statutory tax rates and the impact of valuation allowances on tax losses.

Comprehensive Income and Net Income

Comprehensive income for the three months ended June 30, 2026 decreased by \$4.1 million, or 95%, year over year to \$0.2 million. The components of Comprehensive income are discussed below:

Net income for the three months ended June 30, 2026 decreased by \$7.2 million, or 80%, year over year to \$1.8 million as discussed above.

The activities from the components of Other comprehensive income (loss) are discussed below:

- \$3.2 million of net favorable impact due to change in foreign currency translation adjustments as a result of the weakening of the U.S. dollar versus euro.

For the six months ended June 30, 2026 compared to six months ended June 30, 2025

Net sales

Net sales increased by \$16.3 million, or 2%, year over year in the six months ended June 30, 2026 to \$960.4 million, primarily driven by 4% favorable foreign exchange rate impact due to weakening of the U.S. dollar versus the euro and other major currencies, partially offset by 3% unfavorable pricing, including lower year-over-year oil pass-through effects and lower annual contract agreements in our Rubber Carbon Black segment.

Cost of sales

Cost of sales increased by \$40.6 million, or 5%, year over year to \$788.2 million in the six months ended June 30, 2026 compared to the six months ended June 30, 2025, mainly due to feedstocks linked to higher oil costs driven by the Middle East conflict.

Gross profit

Gross profit decreased by \$24.3 million, or 12%, year over year to \$172.2 million. The decrease was primarily driven by an unfavorable pricing impact of 11%, primarily from annual contract agreements in our Rubber Carbon Black segment, a 4% effect from unfavorable product and regional mix and a 3% unfavorable timing effect from the pass-through of raw material costs, partially offset by 5% favorable foreign exchange rate impact.

Selling, general and administrative expenses

Selling, general and administrative expenses increased by \$5.7 million, or 5%, year over year to \$121.8 million in the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The increase was primarily driven by 4% higher freight and distribution expenses.

Provision for income taxes

Income before earnings in affiliated companies and income taxes for the six months ended June 30, 2026 decreased by \$28.8 million, or 94%, year over year to \$1.7 million.

Income tax expense for the six months ended June 30, 2026 and 2025 was \$10.1 million and \$13.5 million, respectively. Income tax

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Management's Discussion and Analysis of Financial Condition and Results of Operation

expense is primarily determined based on projected pre-tax income mix in countries with varying statutory tax rates and the impact of valuation allowances on tax losses.

Comprehensive Income (Loss)

Comprehensive loss was \$4.5 million for the six months ended June 30, 2026 compared to Comprehensive income of \$14.4 million for the six months ended June 30, 2025.

Net loss was \$8.1 million for the six months ended June 30, 2026 compared to Net income of \$18.1 million for the six months ended June 30, 2025.

The activities from the components of Other comprehensive income (loss) are discussed below:

- \$4.2 million of net favorable impact due to foreign currency translation adjustments, and
- \$3.0 million of net favorable impacts related to financial derivative instruments primarily driven by net periodic changes in cross currency and interest rate swaps.

Sensitivities Analysis

We monitor certain sensitivities impacting our Earnings before interest, taxes, depreciation and amortization ("EBITDA") and Inventories, net plus Accounts receivable, net minus Accounts payable ("Net Working Capital") as follows:

- *A \$10 per barrel change in feedstock costs*
 - Estimated impact on Net Working Capital is between \$25 million to \$30 million, over 3-4 months;
 - Estimated fiscal year impact on EBITDA is between \$7 million to \$10 million; and
- *A one percent (1%) change in foreign currency exchange rates (euro vs U.S. dollar)*—Estimated fiscal year impact on EBITDA is approximately \$2 million.



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Management's Discussion and Analysis of Financial Condition and Results of Operation

Non-GAAP Financial Measures

We present certain financial measures that are not prepared in accordance with GAAP or the accounting standards of any other jurisdiction and may not be comparable to other similarly titled measures of other companies. For a reconciliation of these non-GAAP financial measures to their nearest comparable GAAP measures, see section *Reconciliation of Non-GAAP Financial Measures* below.

These non-GAAP measures include, but are not limited to, EBITDA, Adjusted EBITDA, Net Working Capital, Capital Expenditures and Free Cash Flow.

We define:

- *EBITDA*—Earnings before interest, taxes, depreciation and amortization.
- *Adjusted EBITDA*—Income from operations before depreciation and amortization, stock based compensation, and non-recurring items (such as, restructuring expenses, legal settlement gain, loss (recovery) due to assets misappropriation, net, etc.) plus Earnings in affiliated companies, net of tax.
- *Net Working Capital*—Inventories, net plus Accounts receivable, net minus Accounts payable.
- *Capital Expenditures*—Cash paid for the acquisition of property, plant and equipment.
- *Free Cash Flow*—Net cash provided by operating activities less Net cash used in investing activities.

Our operations are managed by senior executives who report to our Chief Executive Officer (“CEO”), who is our chief operating decision maker (“CODM”). Adjusted EBITDA is used by our CODM to evaluate our operating performance and to make decisions regarding allocation of capital, because it excludes the effects of items that have less bearing on the performance of our underlying core business. We use this measure, together with other measures of performance under GAAP, to compare the relative performance of operations in planning, budgeting and reviewing our business. We believe these measures are useful measures of financial performance in addition to Net income, Income from operations and other profitability measures under GAAP, because they facilitate operating performance comparisons from period to period. By eliminating potential differences in results of operations between periods caused by factors such as depreciation and amortization, historic cost and age of assets, financing and capital structures and taxation positions or regimes, we believe that Adjusted EBITDA provides a useful additional basis for evaluating and comparing the current performance of the underlying operations. In addition, we believe these non-GAAP measures aid investors by providing additional insight into our operational performance and help clarify trends affecting our business.

However, other companies and analysts may calculate non-GAAP financial measures differently, so making comparisons among companies on this basis should be done carefully. Non-GAAP measures are not performance measures under GAAP and should not be considered in isolation or construed as substitutes for Net sales, Net income, Income from operations, Gross profit and other GAAP measures as an indicator of our operations in accordance with GAAP.

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Management's Discussion and Analysis of Financial Condition and Results of Operation

Reconciliation of Non-GAAP Financial Measures

The following table presents reconciliation of *Net income (loss)* to *EBITDA* and *Adjusted EBITDA*:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	Delta		2026	2025	Delta	
	(In millions)		%		(In millions)		%	
Net income (loss)	\$ 1.8	\$ 9.0	\$ (7.2)	(80)	\$ (8.1)	\$ 18.1	\$ (26.2)	(145)
Add back Income tax expense	3.4	4.6	(1.2)	(26)	10.1	13.5	(3.4)	(25)
Add back Equity in earnings of affiliated companies, net of tax	(0.2)	(0.6)	0.4	(67)	(0.3)	(1.1)	0.8	(73)
Income before earnings in affiliated companies and income taxes	5.0	13.0	(8.0)	(62)	1.7	30.5	(28.8)	(94)
Add back Interest and other financial expense, net	16.3	19.1	(2.8)	(15)	31.0	32.8	(1.8)	(6)
Income from operations	21.3	32.1	(10.8)	(34)	32.7	63.3	(30.6)	(48)
Add back Depreciation of property, plant and equipment and amortization of intangible assets and right of use assets	32.9	32.0	0.9	3	65.6	63.5	2.1	3
EBITDA	54.2	64.1	(9.9)	(15)	98.3	126.8	(28.5)	(23)
Equity in earnings of affiliated companies, net of tax	0.2	0.6	(0.4)	(67)	0.3	1.1	(0.8)	(73)
Long term incentive plan	3.0	3.6	(0.6)	(17)	4.4	6.3	(1.9)	(30)
Other adjustments	0.8	0.5	0.3	60	1.3	0.8	0.5	63
Adjusted EBITDA	\$ 58.2	\$ 68.8	\$ (10.6)	(15)	\$ 104.3	\$ 135.0	\$ (30.7)	(23)
<i>Adjusted EBITDA Specialty Carbon Black</i>	<i>\$ 39.0</i>	<i>\$ 19.9</i>	<i>\$ 19.1</i>	96	<i>\$ 66.1</i>	<i>\$ 45.3</i>	<i>\$ 20.8</i>	46
<i>Adjusted EBITDA Rubber Carbon Black</i>	<i>\$ 19.2</i>	<i>\$ 48.9</i>	<i>\$ (29.7)</i>	(61)	<i>\$ 38.2</i>	<i>\$ 89.7</i>	<i>\$ (51.5)</i>	(57)

Adjusted EBITDA (A Non-GAAP Financial Measure)

For the quarter ending June 30, 2026, Adjusted EBITDA decreased \$10.6 million, or 15%, year over year to \$58.2 million. The decrease was driven by a 16% unfavorable pricing from lower annual contract agreements and a 4% effect from unfavorable product and regional mix in our Rubber Carbon Black segment, which was partially offset by favorable volume and product mix in our Specialty Carbon Black segment. Additionally, foreign exchange rate impact was favorable by 4%.

For the six months ended June 30, 2026, Adjusted EBITDA decreased \$30.7 million, or 23%, year over year to \$104.3 million. The decrease was primarily due to a 16% unfavorable effect from lower annual contract agreements in our Rubber Carbon Black segment, a 5% effect from unfavorable product and regional mix in our Rubber Carbon Black segment, partially offset by favorable volume and product mix in Specialty Carbon Black segment. Foreign currency exchange rate impact was favorable by 6%.

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Management's Discussion and Analysis of Financial Condition and Results of Operation

Segment Discussion

Our operations are managed through two reportable segments, *Specialty Carbon Black* and *Rubber Carbon Black*. We use Segment Adjusted EBITDA as the measure of segment performance and profitability.

The tables below present our segment results derived from our unaudited Condensed Consolidated Financial Statements for the periods indicated.

Specialty Carbon Black

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	Delta		2026	2025	Delta	
	(In millions)			%	(In millions)			%
Net sales	\$ 184.8	\$ 158.1	\$ 26.7	17	\$ 354.5	\$ 318.8	\$ 35.7	11
Adjusted EBITDA	\$ 39.0	\$ 19.9	\$ 19.1	96	\$ 66.1	\$ 45.3	\$ 20.8	46

The Middle East conflict influenced our second quarter business performance. Our proactive pricing actions and surcharges enabled us to largely mitigate volatility in oil prices and associated feedstock costs. Additionally, we saw broad end market participation in Europe, Middle East and Africa ("EMEA") and Americas regions, beyond customer restocking activity.

For the three months ended June 30, 2026 compared to three months ended June 30, 2025

Net sales increased by \$26.7 million, or 17%, year over year to \$184.8 million, for the three months ended June 30, 2026, driven primarily by 8% higher pricing, mainly on higher year-over-year oil prices, 4% favorable product mix, 3% benefit from higher volumes in our Americas and EMEA regions and a 2% favorable foreign exchange rate impact.

Adjusted EBITDA increased by \$19.1 million, or 96%, year over year to \$39.0 million for the three months ended June 30, 2026. The increase was driven 52% by beneficial pricing across most products and regions, supported by higher oil prices, a 22% effect from higher volumes, a 19% benefit from favorable product mix and a 4% favorable foreign exchange rate impact.

For the six months ended June 30, 2026 compared to six months ended June 30, 2025

Net sales increased by \$35.7 million, or 11%, year over year to \$354.5 million for the six months ended June 30, 2026, driven primarily by a 4% favorable foreign exchange rate impact, 4% favorable product mix and 3% higher volumes, driven by higher demand in our Americas and EMEA regions.

Adjusted EBITDA increased by \$20.8 million, or 46%, year over year to \$66.1 million for the six months ended June 30, 2026. The increase was driven primarily by a 16% favorable effect from higher volumes, a 15% effect from favorable product mix and an 9% favorable foreign exchange rate impact.

Rubber Carbon Black

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	Delta		2026	2025	Delta	
	(In millions)			%	(In millions)			%
Net sales	\$ 316.1	\$ 308.3	\$ 7.8	3	\$ 605.9	\$ 625.3	\$ (19.4)	(3)
Adjusted EBITDA	\$ 19.2	\$ 48.9	\$ (29.7)	(61)	\$ 38.2	\$ 89.7	\$ (51.5)	(57)

Despite creating volatility in oil-derived feedstock costs, along with concerns about input availability, the conflict in the Middle East did not materially impact fundamental demand trends in the key markets addressed by our Rubber Carbon Black segment during the second quarter of 2026. Demand for replacement tires in the Americas remained down year over year in the second quarter for both passenger car and truck and bus categories, while sales of OE passenger car tires improved slightly and OE truck and bus tire demand decreased. U.S. tire production rates were lower year over year. In Europe, passenger car tire sales, both replacement and OE, were down slightly on a year-over-year basis during the second quarter, while truck and bus tire sales were higher.

For the three months ended June 30, 2026 compared to three months ended June 30, 2025

Net sales increased by \$7.8 million, or 3%, year over year to \$316.1 million for the three months ended June 30, 2026, primarily due to a positive 9% pass-through effect from higher year-over-year oil prices and 3% favorable foreign exchange rate impact, partially offset by unfavorable pricing of 4%, owing primarily to annual contract agreements in the Rubber Carbon Black segment, 3% lower volume and 3% adverse customer and regional mix.

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Adjusted EBITDA decreased by \$29.7 million, or 61%, year over year to \$19.2 million for the three months ended June 30, 2026, driven primarily by a unfavorable pricing of 22%, owing primarily to annual contract agreements in the Rubber Carbon Black segment, a 20% unfavorable pass-through effect of raw material costs and a 14% unfavorable regional mix. Those were partially offset by a 4% favorable foreign exchange rate impact.

For the six months ended June 30, 2026 compared to six months ended June 30, 2025

Net sales decreased by \$19.4 million, or 3%, year over year to \$605.9 million for the six months ended June 30, 2026, primarily due to 3% unfavorable regional customer mix, 2% pass-through effect from lower year-over-year oil prices and unfavorable pricing of 2%, owing primarily to annual contract agreements in the Rubber Carbon Black segment, partially offset by 4% favorable foreign exchange rate impact.

Adjusted EBITDA decreased by \$51.5 million, or 57%, year over year, to \$38.2 million for the six months ended June 30, 2026, driven primarily by unfavorable pricing of 23%, owing primarily to annual contract agreements in the Rubber Carbon Black segment, a 16% effect from unfavorable regional mix and 15% unfavorable pass-through effect from raw material costs. Foreign exchange rate impact was favorable by 4%.

Liquidity and Capital Resources

Sources of Liquidity

Our principal sources of liquidity are the net cash generated (i) from operating activities, primarily driven by our operating results and changes in working capital requirements and (ii) from financing activities, primarily driven by borrowing amounts available under our committed multi-currency, the senior secured Revolving credit facility (the "RCF") and related ancillary facilities, various uncommitted local credit lines, and, from time to time, term loan borrowings and Accounts receivable factoring.

We believe our anticipated future operating cash flows, the capacity under our existing credit facilities, along with access to surety bonds, will be sufficient to finance our planned capital expenditures, settle our commitments and contingencies and address our normal anticipated working capital needs for the foreseeable future. For a discussion of the risks that could increase our short-term working capital needs, see *"We may require short-term working capital financing due to rising oil and petroleum product prices to support our day-to-day operations, and we may be unable to obtain such financing on commercially acceptable terms or at all, which could materially adversely affect our business, liquidity and financial condition and results of operations"* in Item 1A. Risk Factors in Part II of this Quarterly Report on Form 10-Q.

As of June 30, 2026, the company had total liquidity of \$178.3 million, including cash and equivalents of \$50.8 million, and \$127.5 million availability under our RCF, including ancillary lines.

Cash Flows

The tables below present our historical cash flows derived from our unaudited Condensed Consolidated Financial Statements for the periods indicated.

		Six Months Ended June 30,	
		2026	2025
		(In millions)	
1	Net cash provided by operating activities	\$ 14.9	\$ 54.1
2	Net cash used in investing activities	(61.5)	(71.4)
3	Net cash provided by financing activities	37.4	14.0
	Free Cash Flow ⁽¹⁾ (1-2)	(46.6)	(17.3)

⁽¹⁾ Free Cash Flow is a non-GAAP financial measure. Other companies and analysts may calculate this non-GAAP financial measures differently.

2026

Net cash provided by operating activities during the six months ended June 30, 2026 was \$14.9 million. The cash provided by operating activities primarily reflects changes in working capital. Change in working capital includes \$197.3 million sale of certain accounts receivable, discussed in *Note B. Accounts Receivable* to the Condensed Consolidated Financial Statements.

Net cash used in investing activities in the six months ended June 30, 2026 amounted to \$61.5 million. The expenditures were primarily related to safety, maintenance and growth investments.

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Management's Discussion and Analysis of Financial Condition and Results of Operation

Net cash provided by financing activities during the six months ended June 30, 2026 amounted to \$37.4 million. The inflows primarily consist of borrowing under our RCF facilities of \$66.5 million. The outflow primarily consisted of scheduled debt repayments, dividend distributions and payments for debt issuance costs.

2025

Net cash provided by operating activities for the six months ended June 30, 2025, amounted to \$54.1 million. The cash provided by operating activities primarily reflects changes in working capital. Change in working capital includes \$228.2 million sale of certain accounts receivables, discussed in *Note B. Accounts Receivable* to the Condensed Consolidated Financial Statements.

Net cash used in investing activities for the six months ended June 30, 2025, amounted to \$71.4 million. The expenditures were primarily related to safety, maintenance and growth investments.

Net cash provided by financing activities for the six months ended June 30, 2025, amounted to \$14.0 million. The inflows primarily consisted of \$17.6 million related to other short-term debt borrowings and \$28.0 million, net borrowings under our ancillary credit facilities. Those were partially offset by scheduled debt repayments, dividend distributions and stock buybacks.

Net working capital (A Non-GAAP Financial Measure)

We define Net working capital as the sum total of current Accounts receivable, net and Inventories, net less Accounts payable. Net working capital is a non-GAAP financial measure and other companies may use a similarly titled financial measure that is calculated differently from the way we calculate Net working capital. The following table sets forth the principal components of our Net working capital as of the dates indicated.

	June 30, 2026	December 31, 2025
	(In millions)	
Accounts receivable, net	\$ 300.4	\$ 213.6
Inventories, net	275.5	277.3
Accounts payable	(218.0)	(197.0)
Net working capital	\$ 357.9	\$ 293.9

Our Net working capital position can vary significantly from month to month, mainly due to fluctuations in oil prices and receipts of carbon black oil shipments. In general, increases in the cost of raw materials lead to an increase in our Net working capital requirements, as our inventories and trade receivables increase as a result of higher carbon black oil prices and related sales levels. These increases are partially offset by related increases in trade payables. Due to the quantity of carbon black oil that we typically keep in stock, such increases in Net working capital occur over a period of two to three months. Conversely, decreases in the cost of raw materials lead to a decrease in our Net working capital requirements over the same period of time.

Our Net working capital increased from \$293.9 million as of December 31, 2025, to \$357.9 million as of June 30, 2026. The primary working capital change drivers, year over year, were as follows:

- *Accounts receivable, net*—This increase was primarily due to higher demand in 2026 compared to 2025 and the timing of payments. Refer *Note B. Accounts Receivable* for discussion.

Those increases were partially offset by:

- *Accounts payable*—Increase in accounts payable was primarily due to the timing of payments.

Capital expenditures (A Non-GAAP Financial Measure)

We plan to finance our Capital expenditures with cash generated by our operating activities and/or by utilizing existing debt capacity. We do not plan to make material Capital expenditures outside the ordinary course of our business.

Off-Balance Sheet Arrangements

As of June 30, 2026, we did not have any off-balance sheet arrangements.

Cautionary Statement for the Purposes of the “Safe Harbor” Provisions of the Private Securities Litigation Reform Act of 1995

This report contains and refers to certain forward-looking statements with respect to our financial condition, results of operations and business. These statements constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. You should not place undue reliance on forward-looking statements. Forward-looking statements include, among others, statements concerning our potential exposure to market risks, macroeconomic conditions including tariffs, expected plant uptime, market conditions, anticipated customer demand, expected impacts of operational improvements and foreign exchange, expectations regarding capital expenditures, working capital and free cash flow, our outlook for 2026, and other statements expressing management’s expectations, beliefs, estimates, forecasts, projections and assumptions and statements that are not limited to statements of historical or present facts or conditions.

Forward-looking statements are typically identified by words such as “anticipate,” “assume,” “assure,” “believe,” “confident,” “could,” “estimate,” “expect,” “guidance,” “intend,” “may,” “objectives,” “outlook,” “plan,” “probably,” “project,” “seek,” “target,” “to be,” “will,” and other words of similar meaning. These forward-looking statements include, without limitation, statements about the following matters:

- our profit and cash flow projections;
- our compliance with regulatory changes in certain countries;
- the outcome of any in-progress, pending or possible litigation or regulatory proceedings;
- the impact of adoption of new ASUs on our financial results;
- the sufficiency of our cash on hand, cash provided by operating activities and borrowings to pay our operating expenses, satisfy our contractual and lease obligations (including debt obligations) and fund capital expenditures; and
- our projections and expectations for pricing, financial results and performance in 2026 and beyond.

All these forward-looking statements are based on estimates and assumptions that, although believed to be reasonable, are inherently uncertain. Therefore, undue reliance should not be placed upon any forward-looking statements. There are important factors that could cause actual results to differ materially from those contemplated by such forward-looking statements. These factors include, among others:

- negative or uncertain worldwide economic conditions and developments;
- the escalating military conflict between the United States and Iran (the “Iran-U.S. Conflict”) and geopolitical tension in the Middle East, the Russia-Ukraine war and the growing tension between China and Taiwan;
- disruptions in the supply and the volatility of the pricing of carbon black oil feedstock and natural gas (including due to geopolitical conflicts), which could adversely affect our production volumes, margins and results of operations;
- our capital needs and ability to obtain required financing for our operations and working capital needs, particularly in the short term;
- the operational risks inherent in chemicals manufacturing, including but not limited to disruptions due to technical difficulties, severe weather conditions, natural disasters, pandemics, or otherwise;
- unanticipated impacts of our plans and strategies, including possible future decisions to discontinue or reduce production at certain facilities;
- our dependence on major customers and suppliers;
- further changes and uncertainty in the geopolitical environment or government policy, including related to tariffs, counter-tariffs and other trade barriers;
- our ability to compete in the industries and markets in which we operate;
- our ability to successfully develop new products and technologies;
- our ability to effectively implement our business strategies;
- the volatility of costs, quality and availability of raw materials and energy;
- our ability to realize benefits from investments, joint ventures, acquisitions or alliances;
- our ability to realize benefits from, and changes in plan with respect to, plant capacity expansions and capital investments such as site development projects;
- any information technology systems failures, network disruptions and breaches of data security, including via third-party systems or using emerging technologies such as artificial intelligence;

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- our exposure to political or country risks inherent in doing business globally;
- rapidly changing geopolitical environment, conflicts, growing tension between U.S. and other countries, and/or any other escalations that may impact energy costs, raw material availability or other economic disruptions;
- our ability to comply with complex environmental, health and safety laws and regulations, and current and any possible future investigations and enforcement actions by governmental, supranational agencies or other organizations;
- environmental, social and governance matters, including regulations requiring a reduction of greenhouse gas emissions or that impose additional taxes or fees on emissions as well as increased awareness and adverse publicity about potential impacts on climate change by us;
- changes in regulations for carbon black as a nano-scale material;
- our operations as a company in the chemical sector, including the related risks of leaks, fires and toxic releases as well as other accidents;
- any changes in European Union regulations or similar international regulations on chemical carbon that will affect our ability to market and sell our products;
- any market or regulatory changes that may affect our ability to sell or otherwise benefit from co-generated energy;
- any litigation or legal proceedings, including product liability, environmental or asbestos related claims;
- our ability to protect our intellectual property rights and know-how;
- risks associated with our financial leverage;
- restrictive effects of the covenants in our debt instruments;
- any deterioration in our financial position or downgrade of our ratings by credit rating agencies;
- any disruptive changes in international and local economic conditions, dislocations in credit and capital markets and inflation or deflation;
- our ability to generate the funds required to service our debt and finance our operations;
- any fluctuations in foreign currency exchange or interest rates;
- the availability and efficiency of hedging for certain risks;
- any potential impairments or write-offs of certain assets;
- any required increases in our pension fund or retirement-related contributions;
- the adequacy of our insurance coverage;
- any challenges to our decisions and assumptions in assessing and complying with our tax obligations;
- any changes in our jurisdictional earnings mix or in the tax laws or accepted interpretations of tax laws in those jurisdictions;
- the ability to pay dividends on our Common stock at historical rates or at all;
- the difference between our stockholders' rights and rights of stockholders of a U.S. corporation;
- the potential difficulty in obtaining or enforcing judgments or bringing legal actions against Orion S.A. (a Luxembourg incorporated entity) in the U.S. or elsewhere outside Luxembourg;
- the difference between Luxembourg & European insolvency laws from U.S. insolvency laws;
- our relationships with our workforce, including negotiations with labor unions, strikes and work stoppages; and
- our ability to recruit or retain key management and personnel.

Factors that could cause our actual results to differ materially from those expressed or implied in such forward-looking statements include those factors detailed under the captions *“Cautionary Statement for the Purposes of the “Safe Harbor” Provisions of the Private Securities Litigation Reform Act of 1995”* and *“Risk Factors”* and in *“Note Q. Commitments and Contingencies”* to our audited Consolidated Financial Statements regarding contingent liabilities, including litigation in our Annual Report on Form 10-K for the year ended December 31, 2025 and in our quarterly reports on Form 10-Q and the unaudited Condensed Consolidated Financial Statements contained therein. It is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statement, as a result of new information, future events or other information, other than as required by applicable law.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information about market risks for the period ended June 30, 2026 does not differ materially from “Item 7A” in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 4. Controls and Procedures

As of June 30, 2026, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended. Based upon that evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of that date.

There were no changes in our internal control over financial reporting that occurred during the quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II**Item 1. Legal Proceedings**

We have been and expect to become involved from time to time in various claims and lawsuits arising in the ordinary course of our business, such as product related claims, liability claims, employment related claims and asbestos litigation. Some matters involve claims for large amounts of damages as well as other relief. We believe, based on consideration of all relevant facts and circumstances, that none of the results of the proceedings currently pending will have a material adverse effect on our financial condition, our operating results or cash flow for any particular period when the relevant costs are incurred. We note that the outcome of legal proceedings is inherently uncertain, and we offer no assurances as to the outcome of any of these current or future matters or their effect on the Company.

Information regarding our litigation and legal proceedings can be found in Note I. *Commitments and Contingencies* to the Condensed Consolidated Financial Statements, which is incorporated into this Item 1 by reference.

Item 1A. Risk Factors

We are subject to volatility in the costs, quality and availability of raw materials and energy, which could decrease our production volumes and margins and adversely affect our business, financial condition, results of operations and cash flows.

Our manufacturing processes consume significant amounts of raw materials and energy, the costs of which are subject to fluctuations in local and worldwide supply and demand as well as other factors beyond our control. The preponderance of raw material cost used in the production of carbon black is related to petroleum-based or coal-based feedstock known as carbon black oil, with additional use of other raw materials, such as acetylene, hydrogen and natural gas. We obtain a considerable portion of our raw materials and energy from selected key suppliers. Although we maintain certain raw material reserves, if any of these suppliers is unable to meet its obligations under supply agreements with us on a timely basis or at all, or if we cannot source sufficient supply, we may be forced to incur higher costs to obtain the necessary raw materials and energy elsewhere. Additionally, raw material sourcing and related infrastructure (e.g., harbor access, cargo or ship availability, pipeline, tank, rail, waterway or road-access), may be subject to local developments or regulations in certain jurisdictions where we operate that may reduce, delay or halt the physical supply of raw materials. Our inability to source energy or quality raw materials like carbon black oil, including due to the escalating military conflict between the United States and Iran (the “Iran-U.S. Conflict”) and geopolitical tension in the Middle East, the Russia-Ukraine war, the growing tension between China and Taiwan and China’s relations with the U.S. and with the EU, or otherwise, in a timely fashion and at costs that we anticipate or that are acceptable to us, or an inability to pass-through any cost increases to our customers, could have an adverse impact on our business, financial condition, results of operations and cash flows.

In particular, the Iran-U.S. Conflict poses significant risks to global oil supply and pricing. The duration, escalation, and ultimate resolution of the Iran-U.S. Conflict are highly uncertain, and Orion cannot predict with any reasonable certainty the impact that the conflict will have on crude oil prices, carbon black oil availability, or Orion’s business in the future, but the longer the duration and/or the escalation in such hostilities will further exacerbate these impacts.

Most of our Rubber Carbon Black supply contracts contain provisions that adjust prices to account for changes in a relevant feedstock price index. However, we are exposed to oil price and gas price fluctuations, and there can be no assurance that we will be able to shift the price risks to our customers. Success in offsetting increased raw material, energy and tax or tariff costs with related price increases is also influenced by competitive and economic conditions, as well as the speed and severity of such changes, and could vary significantly, depending on the segment served. Such increases may not be accepted by our customers, may not be fully reflected in the indices used in our pricing formulas, may not be sufficient to compensate for increased raw material and energy costs or may decrease demand for our products and our volume of sales. Oil and energy price fluctuations have had, and are likely to continue to have, significant and varying effects on our earnings and results of operations, partly because oil price changes affect our sales prices and our cost of raw materials and energy at different times and amounts, and partly due to other factors, such as differentials affecting the ultimate carbon black oil price paid by us (versus a particular reference price index), carbon black oil usage amounts and ongoing efficiency initiatives, the value of which fluctuates with oil prices. Failure to fully offset the effects of fluctuating raw material or energy costs could have a material adverse effect

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on our business, financial condition, results of operations and cash flows. Further, volatility in costs and pricing could result in commercial disputes with suppliers and customers regarding the interpretations of complex contractual pricing arrangements, which could adversely affect our business.

Significant movements in the market price for crude oil tend to create volatility in our carbon black feedstock costs, which have in the past affected and may in the future affect our Net Working Capital, cash requirements and operating results. Changes in raw material and energy prices have a direct impact on our Net Working Capital levels. Increases in the cost of raw materials lead to an increase in our Net Working Capital. Due to the quantity of carbon black oil and finished goods that we typically keep in stock together with the levels of receivables and payables maintained, increases typically occur gradually over a two to three-month period but can vary depending on inventory levels and working capital levels, generally. Net Working Capital swings are particularly significant in an environment of high price volatility.

We may also be subject to volatility in the cost, quality and availability of raw materials and energy due to factors beyond our control, such as geopolitical conflict. This could have an adverse impact on our business, financial condition, results of operations and cash flows.

Our business, financial condition and results of operations have in the past and could in the future be adversely affected by disruptions in the carbon black oil and natural gas supplies, including disruptions caused by the ongoing Iran-U.S. Conflict and geopolitical tension in the Middle East, the Russia-Ukraine war and the growing tension between China and Taiwan.

The impacts of war and other geopolitical events, including but not limited to the ongoing Iran-U.S. Conflict and geopolitical tension in the Middle East, the Russia-Ukraine war and the growing tension between China and Taiwan, are difficult to predict. For example, the Iran-U.S. Conflict has resulted in severe disruptions to global crude oil supplies and significant spikes in crude oil and carbon black oil prices. In addition, the conflict in Ukraine has previously caused, and may continue to cause, volatility in crude oil and natural gas prices. The responses of countries and political bodies to Iran's actions in the Iran-U.S. Conflict and Russia's actions in Ukraine, the larger overarching tensions, and Ukraine's military defenses and the potential for wider conflict in the Russia-Ukraine war, may generally increase energy market volatility, have severe adverse effects on regional and global economic markets and cause volatility in energy and other product prices. The sanctions, shipping disruptions, collateral war damage, and the potential continuation or expansion of the ongoing Iran-U.S. Conflict and geopolitical tension in the Middle East and the Russia-Ukraine war, could further disrupt the availability of crude oil and natural gas supplies.

The extent or length of any adverse effects of the Iran-U.S. Conflict and geopolitical tension in the Middle East and the Russian-Ukraine war on the supply of crude oil and natural gas and the quality and availability of carbon black oil is difficult to quantify.

The continuation or escalation of events like the Iran-U.S. Conflict and geopolitical tension in the Middle East and the Russian-Ukraine war could decrease our production volumes and margins and may adversely impact our business operations, financial condition and results of operations and are difficult to predict. The Iran-U.S. Conflict and geopolitical tension in the Middle East and the Russian-Ukraine war have impacted our margins and caused and may continue to cause curtailed or delayed spending by our customers' customers, particularly in the automotive industry, and increases the risk of customer defaults or delays in payments.

These and other conflicts may also lead to increased physical terrorist or cyberattacks, damage to global supply chains, and have other consequences that impact our business, financial condition and results of operations.

The Iran-U.S. Military Conflict poses material risks to Orion's feedstock costs, supply chain, and results of operations.

The Iran-U.S. Conflict poses a number of significant risks, and has resulted, and could continue to result, in a number of adverse consequences for Orion and other companies, including:

- Significant disruption of global oil supply from the Middle East, resulting in sustained and material increases in crude oil prices and, correspondingly, in Orion's carbon black oil feedstock costs.
- Disruption of shipping routes in the Persian Gulf, Gulf of Oman, Red Sea, and Gulf of Aden, increasing logistics costs and potentially impairing Orion's ability to source carbon black oil from Middle Eastern or Asian suppliers.
- Expanded U.S. or international sanctions targeting Iranian oil exports, reducing global crude oil supply and exerting upward pressure on global crude oil and feedstock prices.
- Broader regional escalation drawing in additional state actors, further destabilizing oil markets and global supply chains on which Orion relies.
- Reduced demand from Orion's customers in the automotive, tire, and industrial sectors due to macro-economic slowdown caused by sustained energy price shocks.
- Increased risk of cyberattacks and physical attacks on critical energy and industrial infrastructure, including infrastructure on which Orion's operations depend.

Orion is greatly exposed to crude oil price and natural gas price fluctuations with no assurance that it will be able to shift price risks to its customers. Fluctuations in the market price for crude oil tend to create volatility in Orion's carbon black feedstock costs and have affected, and may in the future affect, Orion's Net Working Capital, cash requirements and operating results, with Net Working Capital swings being

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particularly significant in an environment of high price volatility. As a result, a sustained increase in crude oil prices resulting from the Iran-U.S. Conflict could have a particularly adverse impact on Orion's liquidity and working capital position.

The duration, scope, and ultimate resolution of the Iran-U.S. military Conflict are highly uncertain and difficult to predict. Orion cannot predict whether or when the conflict will escalate, de-escalate, or resolve, or what the impact of any such developments will be on global oil markets, Orion's feedstock costs, Orion's customer demand, or Orion's business, financial condition, results of operations and cash flows, but the impact of these risks and consequences, individually or in combination, has had, and could continue to have, a material adverse effect on Orion's business, financial condition, results of operations and cash flows.

We may require short-term working capital financing due to rising oil and petroleum product prices to support our day-to-day operations, and we may be unable to obtain such financing on commercially acceptable terms or at all, which could materially adversely affect our business, liquidity and financial condition and results of operations.

Our business is heavily reliant on oil and petroleum products and the price of oil directly impacts our operating costs and working capital levels and needs. The price of oil has increased significantly in the past few months due to the Iran-U.S. Conflict. The sharp rise in the price of oil has negatively impacted our working capital levels. We rely, and expect to continue to rely, on a combination of sources to meet our short-term working capital needs, including borrowings under our revolving credit facility, cash flows from operations and trade credit extended by our suppliers among other sources. As a result of the sharp increase in the price of oil we may need to obtain additional short-term and/or bridge financing to fund our working capital needs and day-to-day operations, including the purchase of inventory, payment of trade creditors and other operational expenses that arise in the ordinary course of our business.

The availability of such short-term working capital financing is subject to a number of factors outside of our control, many of which are unpredictable, may change rapidly and may be adversely affected by a number of factors, including:

- deterioration in general economic conditions, increased geopolitical tensions and/or disruptions in the supply of oil and petroleum products, as well as the financial and credit markets;
- increases in interest rates or changes in the credit environment more broadly;
- a deterioration in our financial condition, results of operations or credit profile;
- limitations on our ability to access financing under our existing credit facilities due to the restrictive covenants and conditions in our existing credit facility and or to incur additional debt from other financing sources;
- a tightening of lending standards by financial institutions, whether due to regulatory changes, macroeconomic conditions or otherwise;
- a reduction in the willingness of our lenders or trade creditors to extend credit to us, including as a result of any actual or perceived weakening of our business or industry;
- the expiration, termination or non-renewal of our existing credit facilities or working capital arrangements on terms acceptable to us or at all; and
- disruptions to our supply chain or deterioration in our relationships with key suppliers that result in less favorable trade credit terms.

If we are unable to access short-term working capital financing on commercially acceptable terms, or at all, we may be forced to seek alternative and potentially more costly sources of financing, reduce operations, reduce or delay capital expenditures, defer the payment of obligations to suppliers or other creditors, or take other measures that could have a material adverse effect on our business. There can be no assurance that alternative financing will be available to us on commercially acceptable terms or in the amounts required, particularly during periods of market stress or economic or geopolitical uncertainty.

In addition, any financing that we are able to obtain may be subject to higher interest rates, more restrictive covenants or less favorable terms than our existing credit facilities and financing arrangements, which could increase our cost of capital and constrain our operational and financial flexibility further, including our ability to pay dividends. Borrowings under short-term working capital facilities are typically subject to periodic renewal or refinancing, and there can be no assurance that we will be able to renew or refinance any such facilities we are able to obtain on acceptable terms, on a timely basis, or at all. A failure to renew or replace such facilities prior to their maturity or expiration could result in a significant liquidity shortfall that could disrupt our operations and adversely affect our ability to meet our obligations.

The risks associated with our working capital financing needs may be heightened during periods of elevated interest rates, market volatility, geopolitical uncertainty or economic downturn, as lenders may tighten credit standards and the availability of working capital financing across our industry may decline. Any of these factors, alone or in combination, could have a material adverse effect on our business, liquidity and financial condition and results of operations.

Except as provided above, there have been no material changes to risk factors associated with our business previously disclosed in "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025.

Orion S.A.

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

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not applicable

Item 5. Other Information

During the three and six months ended June 30, 2026, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

<u>Exhibit Number</u>	<u>Description</u>
31.1 *	Certification of Principal Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
31.2 *	Certification of Principal Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
32.1 **	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350.
32.2 **	Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350.
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase.
101.DEF	Inline XBRL Taxonomy Extension Definition Document.
104 *	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith

** Furnished herewith

Orion S.A.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

ORION S.A.

August 5, 2026

By /s/ Jonathan A. Puckett

Name: Jonathan A. Puckett

Title: Chief Financial Officer



Exhibit 31.1 Certification by Corning F. Painter pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.

I, Corning Painter, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Orion S.A.;
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(s) 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(s) 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: August 5, 2026

/s/ Corning Painter

Chief Executive Officer

Exhibit 31.2 Certification by Jonathan A. Puckett pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.

I, Jonathan A. Puckett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Orion S.A.;
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(s) 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(s) 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: August 5, 2026

/s/ Jonathan A. Puckett

Chief Financial Officer

Exhibit 32.1 Certification by Corning F. Painter pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

CERTIFICATION

In connection with the Quarterly Report of Orion S.A. on Form 10-Q for the quarterly period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Corning Painter, Chief Executive Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2026

/s/ Corning Painter

Chief Executive Officer

Exhibit 32.2 Certification by Jonathan A. Puckett pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

CERTIFICATION

In connection with the Quarterly Report of Orion S.A. on Form 10-Q for the quarterly period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Jonathan A. Puckett, Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2026

/s/ Jonathan A. Puckett

Chief Financial Officer