



Delivering on cost savings

Financial Reporting
Q3 2025



Forward-looking statements

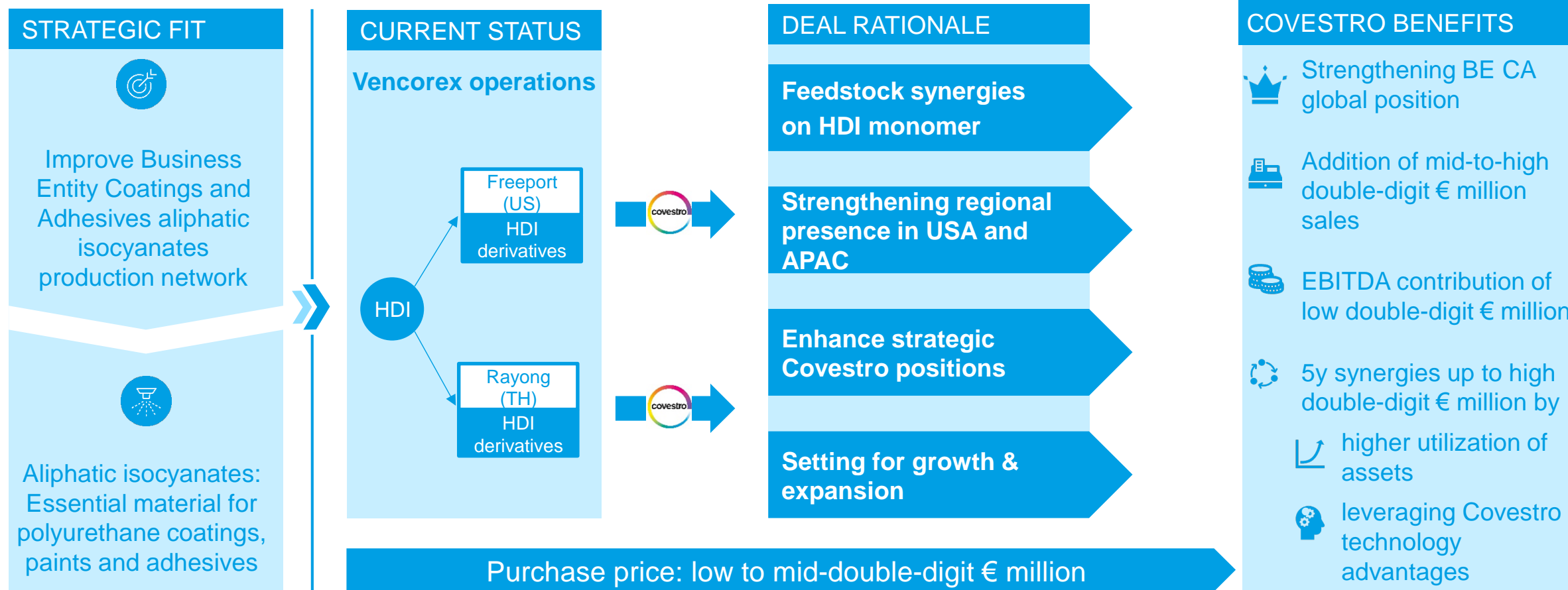
This presentation may contain forward-looking statements based on current assumptions and forecasts made by Covestro AG.

Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Covestro's public reports, which are available on the Covestro website at www.covestro.com.

The company assumes no liability whatsoever to update these forward-looking statements or to adjust them to future events or developments.

Acquisition to strengthen Solutions & Specialties segment

Covestro acquires Vencorex aliphatic isocyanate business in USA and Thailand



Key financials Q3 2025



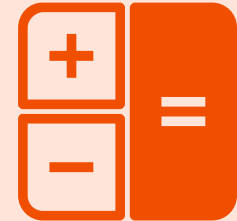
-1.5%
Y/Y volume
growth



€3.2bn
Sales



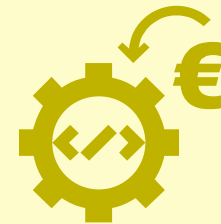
€242m
EBITDA



€111m
FOCF



FY 2025
Guidance narrowed

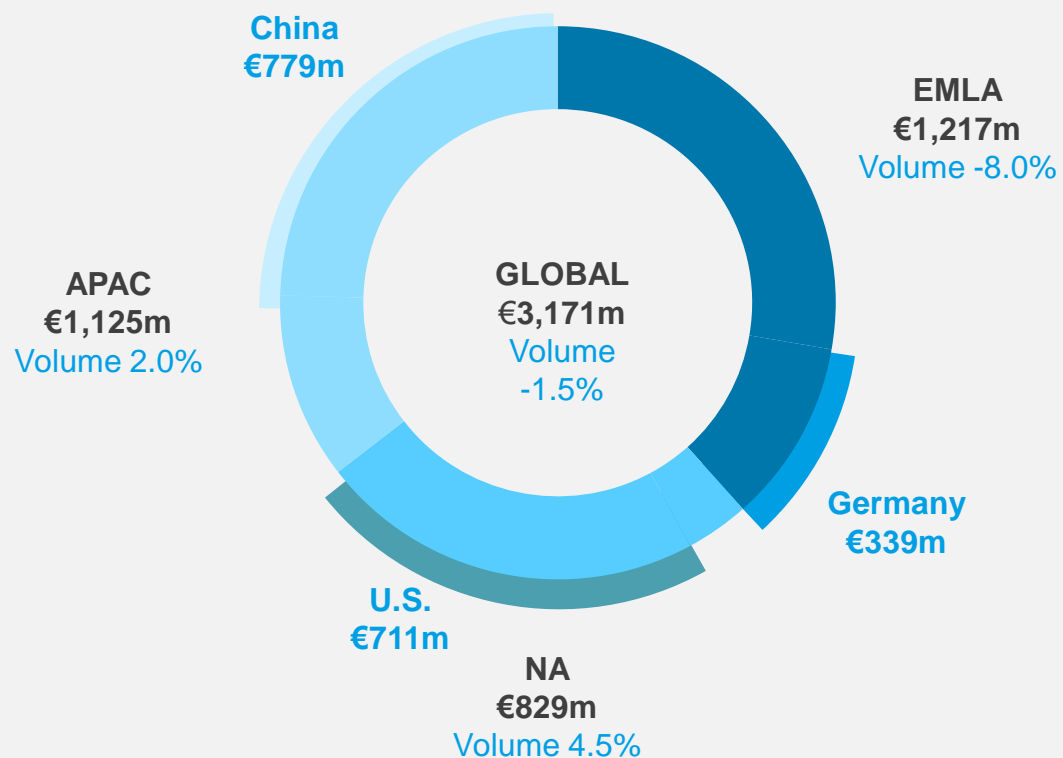


EMLA with lower volumes and persistent economic weakness



Q3 2025 – Regional split

Sales volume Y/Y



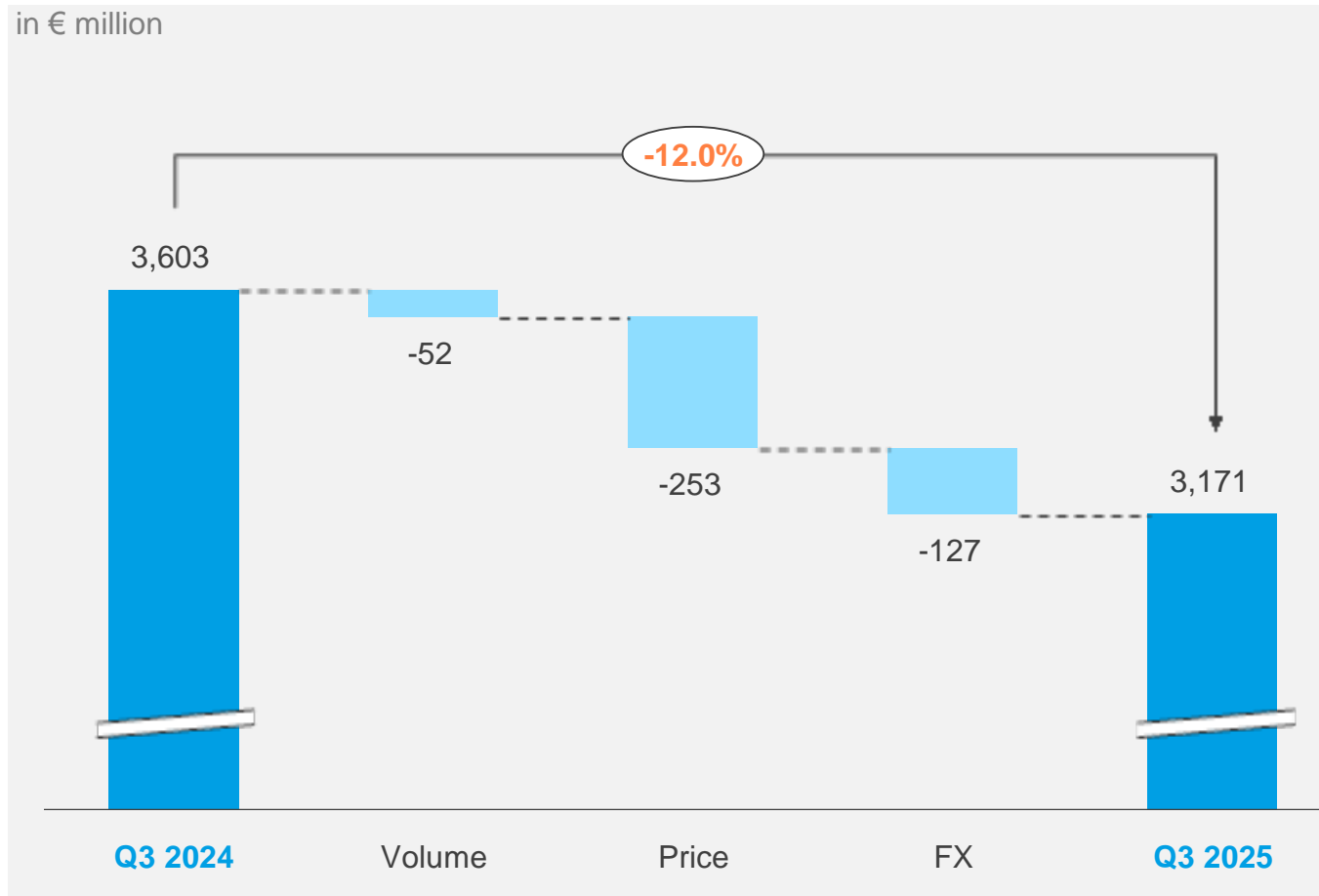
HIGHLIGHTS

- Mostly declining volume development across the key industries:
 - Auto low single-digit % increase
 - Construction low single-digit % decline
 - Electro mid-single-digit % decline
 - Furniture/wood low teens % decline
- **EMLA:** Auto flattish, strong decline in electro, construction and furniture
- **NA:** Furniture with significant growth, electro and auto flat while construction with significant decline
- **APAC:** Construction and auto with significant growth while electro and furniture/wood with significant decline

Sales decline mainly due to negative pricing and adverse FX



Q3 2025 – Sales bridge



HIGHLIGHTS

Volume negative

- Volumes lower at -1.5% Y/Y
- Performance Materials with 3.1% Y/Y decline and Solutions & Specialties flat (+0.4% Y/Y)

Pricing negative

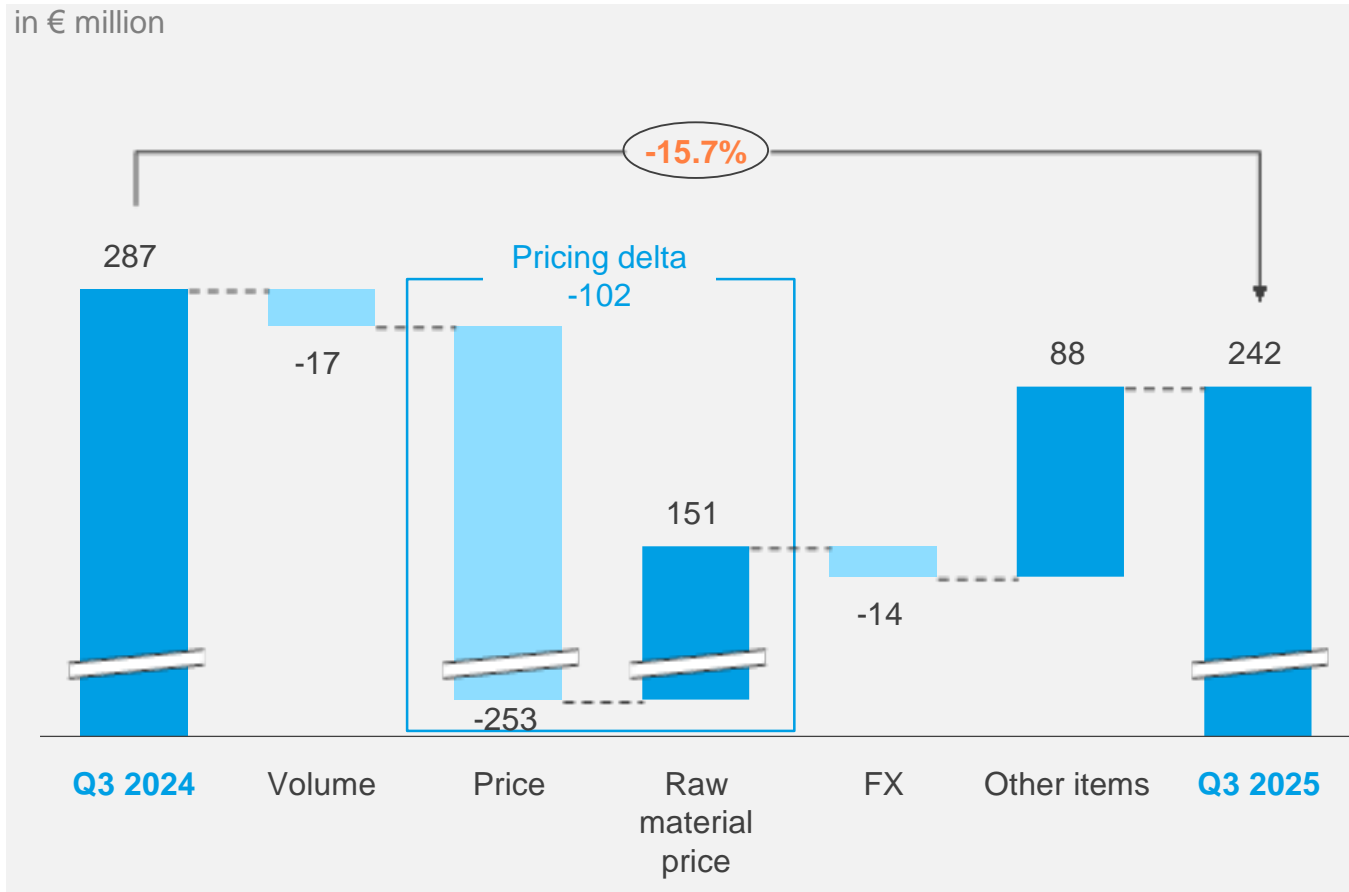
- Pricing affected sales by -7.0%
- Performance Materials with -9.8% Y/Y and Solutions & Specialties with -4.3% Y/Y development

FX negative

- FX strongly affected sales by -3.5% Y/Y mainly driven by weaker Chinese Renminbi, US Dollar and Indian Rupee

EBITDA stabilized by self-help

Q3 2025 – EBITDA bridge



HIGHLIGHTS

Negative volumes

- Mainly caused by Dormagen fire event leading to volume losses in TDI and basic chemicals

Negative pricing delta

- Negative pricing delta due to overall unfavorable supply-demand balance, esp. in APAC and EMLA

Other items

- Mainly driven by cost contingencies and structural cost savings (STRONG)
- Q3 2025 restructuring cost related to STRONG of €26m

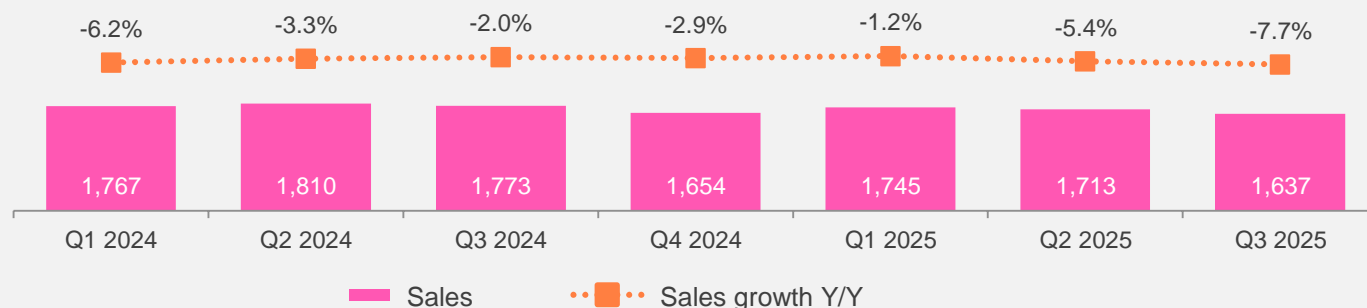
Solutions & Specialties – Sales affected by FX and lower prices



Segment results – Highlights Q3 2025

SALES

in € million / changes Y/Y

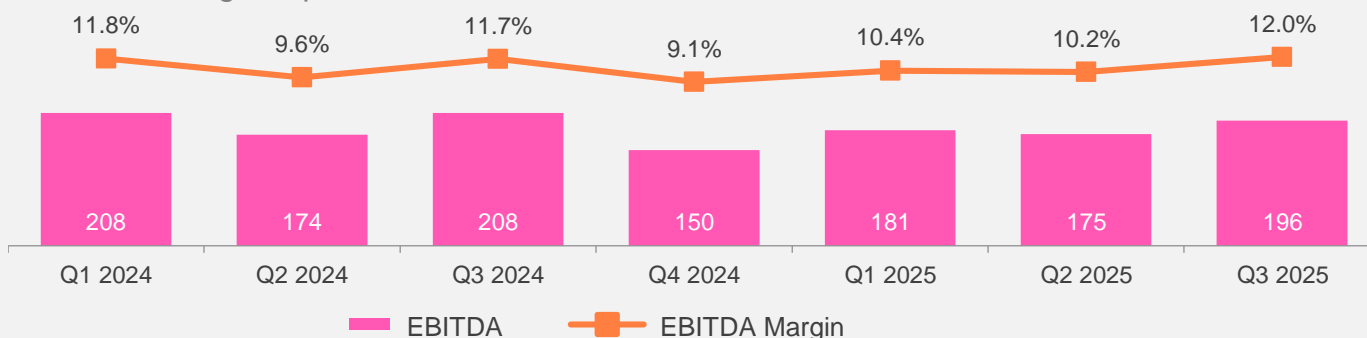


HIGHLIGHTS Q3 2025

- Sales declined by 7.7% Y/Y, driven by prices (-4.3%) and FX (-3.8%) with flat volumes (+0.4%)
- Quarter-over-quarter sales globally declined; volume decline in NA and EMLA while increase in APAC, pricing was stable in APAC and NA while negative in EMLA

EBITDA AND MARGIN

in € million / margin in percent



HIGHLIGHTS Q3 2025

- Compared to prior year, EBITDA slightly declined due to negative pricing delta and FX despite positive volume effect
- Quarter-over-quarter, higher EBITDA due to positive pricing and cost savings despite negative volumes and FX
- EBITDA margin increased to 12.0% in Q3 2025

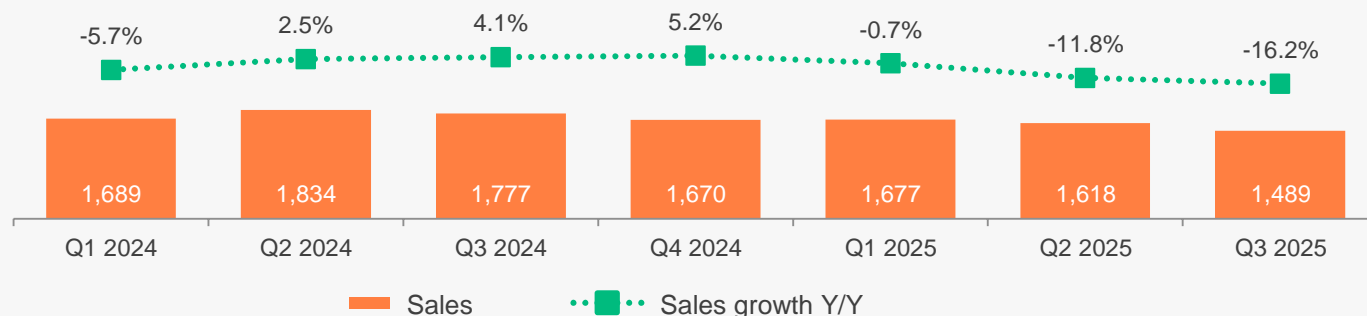
Performance Materials – EBITDA helped by insurance booking



Segment results – Highlights Q3 2025

SALES

in € million / changes Y/Y

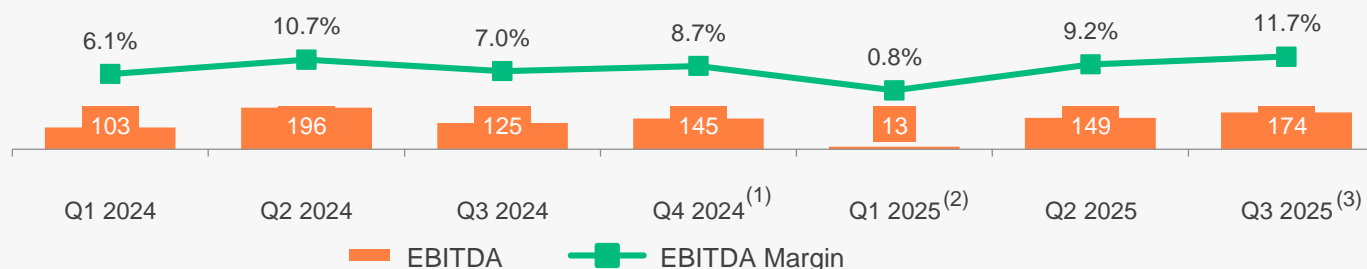


HIGHLIGHTS Q3 2025

- Sales declined (-16.2%) Y/Y, driven by lower prices (-9.8%), FX (-3.3%) and volumes (-3.1%)
- Quarter-over-quarter sales globally declined, higher volumes in APAC while NA and EMLA with volume decline; lower prices in EMLA while NA stable and APAC with price increases

EBITDA AND MARGIN

in € million / margin in percent



HIGHLIGHTS Q3 2025

- Compared to prior year, EBITDA burdened by negative pricing delta, lower volumes and FX; internal insurance booking of €75m⁽³⁾ due to Dormagen incident
- Quarter-over-quarter higher EBITDA driven by the insurance payment, positive impact of others, while negative volumes and pricing delta
- EBITDA margin increased to 11.7% in Q3 2025

FOCF remains negative despite a positive contribution in Q3 2025



Historical FOCF development

in € million

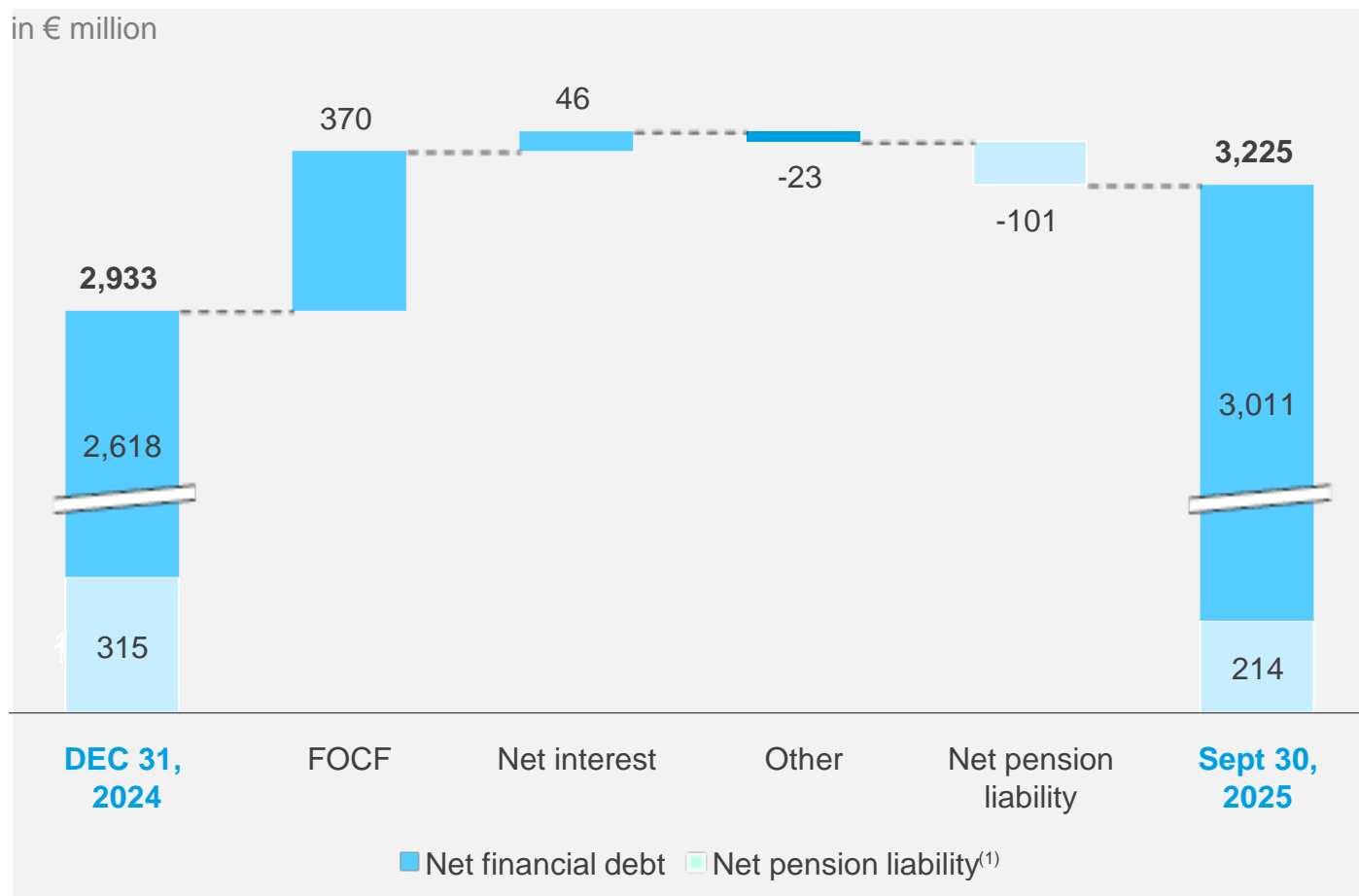
	9M 2021	9M 2022	9M 2023	9M 2024	9M 2025
	1,073	-412	159	-164	-370
EBITDA	+2,422	+1,655	+948	+880	+649
Changes in working capital⁽¹⁾	-936	-571	-85	-265	-166
Capex⁽²⁾	-472	-543	-461	-422	-556
Income tax paid	-309	-446	-247	-153	-145
Other effects	+368	-507	+4	-204	-152

HIGHLIGHTS

- 9M 2025, FOCF was negative €370m with positive FOCF in Q3 contributing €111m
- Working capital to sales ratio⁽³⁾ after 9M stable at 18.5% (9M 2024: 18.6%)
- Capex increased (Y/Y) due to higher expenditures for investment projects in PM in line with expectations
- “Other effects” included bonus pay out in Q2 2025 for FY 2024

Total net debt increase caused by negative FOCF

September 30, 2025 – Total net debt



HIGHLIGHTS

- Total net debt to EBITDA ratio⁽²⁾ of 3.8x at the end of 9M 2025 compared to 3.0x at the end of 9M 2024
- No financial covenants in place
- Committed to a solid investment grade rating; Baa2 with stable outlook confirmed by Moody's on April 28, 2025

GDP outlook for 2025 reflecting economical challenges

Global demand development



KEY CUSTOMER INDUSTRIES		2024 Y/Y ⁽¹⁾	2025 Y/Y ⁽²⁾	2025e ⁽³⁾ UPDATE
Global GDP		+2.9%	+2.8%	+2.7%
Automotive EV / BEV		-0.6% +8.2%	+2.7% +22.4%	+1.9% +25.7%
Construction Residential		-2.4% -5.4%	+0.2% -1.5%	+0.6% -1.8%
Furniture Soft furniture		-0.5% -0.2%	+1.5% +2.4%	+0.2% +0.1%
Electrical, electronics and household appliances Appliances		+3.7% +5.2%	+5.2% +1.2%	+2.9% +3.1%

FY 2025 guidance narrowed as usual towards year end

Full year guidance 2025



	FY 2024	Guidance FY 2025			
		as of Feb. 26	as of May 6	as of July 11	as of October 30
EBITDA	€1,071m	€1,000 to 1,600m	€1,000 to 1,400m	€700 to 1,100m	€700 to 800m
FOCF	€89m	€0 to 300m	€0 to 300m	€-400 to +100m	€-400 to -200m
ROCE above WACC ⁽¹⁾	-7.4pp	-6 to -2pp	-6 to -3pp	-9 to -5pp	-9 to -8pp
GHG emissions ⁽²⁾	4.9m tons	4.2 to 4.8m tons	4.2 to 4.8m tons	4.2 to 4.8m tons	4.2 to 4.4m tons
Additional financial expectations					
Sales	€14.2bn	€14.5 to 15.5bn	€14.2 to 15.2bn	€13.0 to 14.0bn	around €13.0 bn
D&A	€984m	~€850m	~€900m	~€900m	~€900m
Financial result	€-114m	€-120 to -160m	€-120 to -160m	€-140 to -180m	€-140 to -180m
Income tax	€245m	€150 to 250m	€150 to 250m	€150 to 250m	€150 to 250m
Capex ⁽²⁾	€781m	€700 to 800m	€700 to 800m	€700 to 800m	€700 to 800m

HIGHLIGHTS

Mark-to-market (M2M):

- Mark-to-market (M2M) EBITDA for FY 2025 of €0.75bn; theoretical calculation based on September 2025 margins flat forward and forecast assumptions for 2025

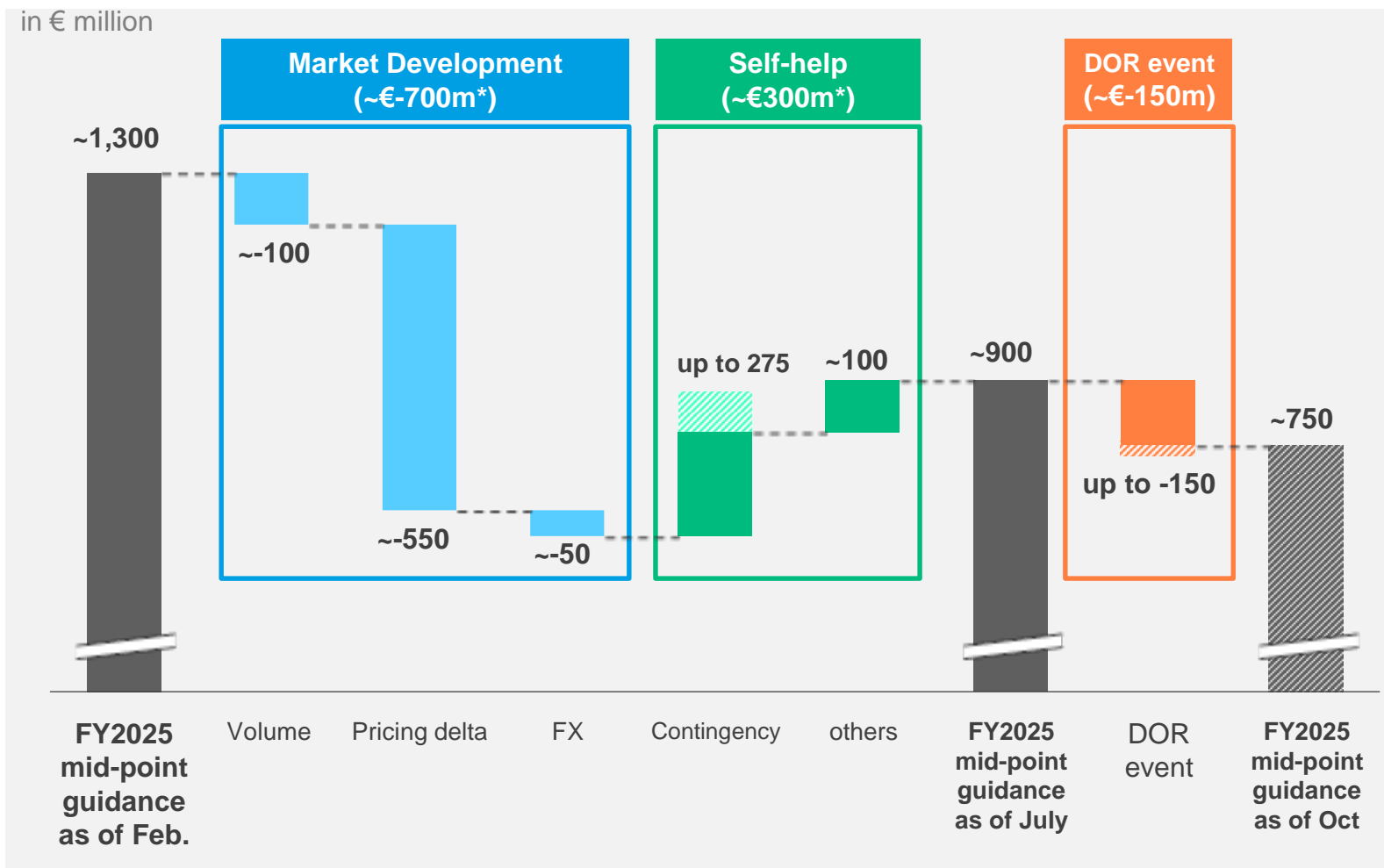
2025 FX sensitivity

- 1pp change equals +/- €6m for CNY/ EUR (basis 8.10)
+/- €2m for USD/ EUR (basis 1.10)

Covestro self-help reducing weak economy and DOR impact



Break-down of FY 2025 EBITDA guidance narrowing



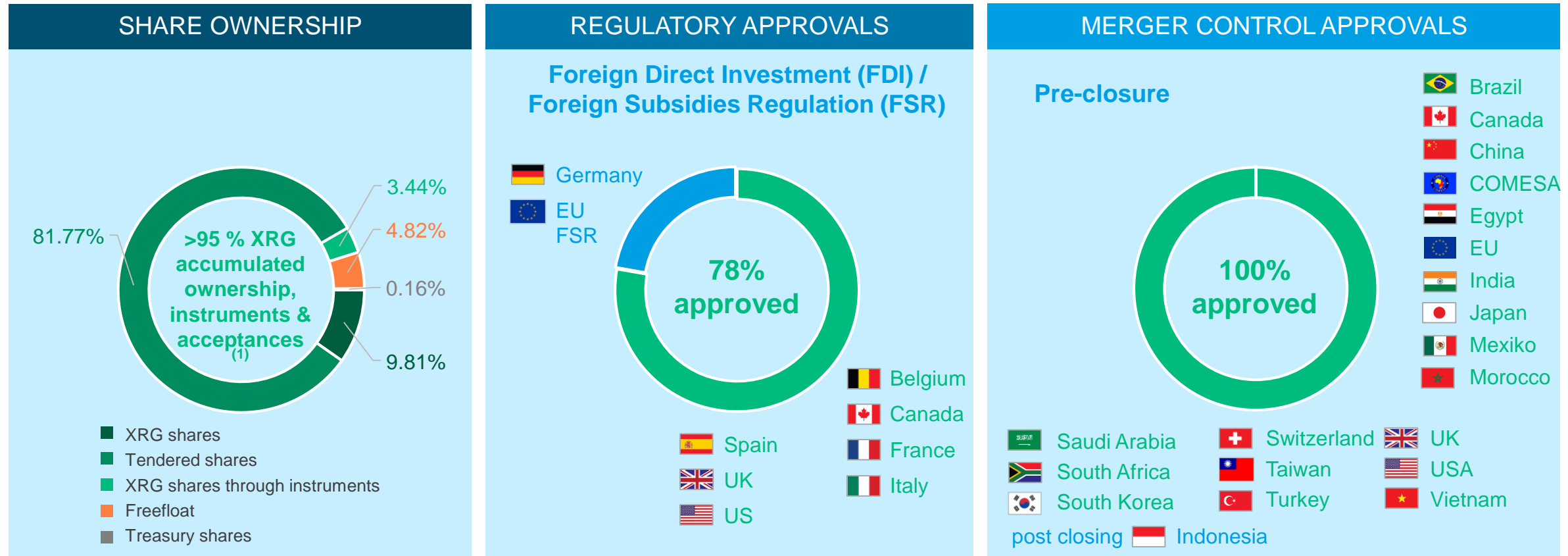
HIGHLIGHTS

- Decisive action to counter current market headwinds
- STRONG in FY2025 with ~€250m cumulated EBITDA savings already incorporated in February guidance, achieved €200m YTD in 2025
- Mobilization of additional short-term cost contingency with up to €275m EBITDA savings
- Other measures with ~€100m EBITDA savings
- Dormagen fire incident with overall negative EBITDA effect of up to €150m in FY2025, mostly from lacking volumes in TDI and basic chemicals



Regulatory approvals progressing as expected

Progress on XRG transaction as of October 30, 2025



On track for closing in Q4 2025

Delivering on cost savings

Q3 2025 Highlights



1

Negative volume development

burdened by Dormagen incident and ongoing challenging economic conditions

2

Sales lower at €3.2bn

mainly caused by lower prices and unfavorable FX

3

EBITDA of €242m towards upper end of guidance range

helped by delivering on our cost savings ambitions

4

FY 2025 guidance narrowed

with an expected EBITDA of €0.7 to 0.8bn

5

XRG transaction

on track for closing before December 2nd (long-stop-date)

Questions & Answers

Q3 2025 Earnings Call

Remarks:

- Please use hand raise function to verbally ask questions
- For posted questions, please use the „Q&A“ / „F&A“ tab



Appendix

Upcoming IR events



Find more information on covestro.com/en/investors

REPORTING DATES

- | | |
|---------------------|-----------------------------|
| • February 26, 2026 | 2025 Annual Report |
| • May 5, 2026 | Q1 2026 Quarterly Statement |
| • July 31, 2026 | Q2 2026 Quarterly Statement |

ANNUAL GENERAL MEETING

- | | |
|------------------|------------------------|
| • April 15, 2026 | Annual General Meeting |
|------------------|------------------------|