ARKEMA INNOVATIVE MATERIALS FOR A SUSTAINABLE WORLD

PRESS RELEASE

Paris La Défense, 7 November 2025

ARKEMA: THIRD-QUARTER 2025 RESULTS

Arkema delivered a very solid cash flow generation supported by strong operational discipline, in a challenging environment that weighs on market demand and the Group's results

→ **Sales** of **€2.2 billion**, down 4.7% compared to last year at constant exchange rates:
- Volumes down 2.5% reflecting the lower demand observed in the United States over the summer and the overall weakness in Europe, while Asia, in particular China, remains more resilient
- Strong momentum with ~20 % YoY sales growth in several specific key markets at the heart of our innovation strategy, namely batteries, sports, 3D printing, healthcare and new-generation fluorospecialties
- 3.7% negative price effect, impacted essentially by the acrylic cycle and the old-generation refrigerant gases, while all other activities have seen more stable prices

→ **EBITDA** down to **€310 million** (€407 million in Q3'24) and **EBITDA margin** at **14.2%**:
- Volumes in Adhesive Solutions and Advanced Materials reflecting weak demand in Europe and the United States but supported by the Group's development strategy in higher value-added activities and by growth in Asia. Slightly negative net pricing with some benefit from lower raw material costs as they work through the supply chain.
- Coating Solutions significantly down, impacted by the acrylic cycle and the sales decline in the US construction market
- Seasonal decrease in refrigerant gases
- Unfavorable currency impact of around €15 million, mainly linked to the US dollar

→ **Adjusted net income** of **€78 million** representing €1.04 per share (€2.25 in Q3'24)

→ **Very solid cash generation** with a **recurring cash flow** of **€207 million**, higher than last year, reflecting the strict management of working capital and lower capex than last year

→ **Net debt** down by almost €200 million in the quarter to **€3.4 billion** (including hybrid bonds). Issuance of a €500 million green bond with an 8-year maturity and a 3.5% coupon.

→ **Strengthening of our cost-cutting efforts**:
- Objective to broadly offset fixed costs inflation in 2025 and 2026 with a large number of initiatives ramping up across all functions and business lines
- Further reduction in capex to around €600 million in 2026, representing a decrease of approximately €50 million compared to 2025 and €150 million compared to 2024

→ **2025 guidance**: taking into account the currently challenging macroeconomic context and the softer than expected demand in the United States, the Group aims at delivering an EBITDA of between €1.25 billion and €1.3 billion and a recurring cash flow of approximately €300 million in 2025.

Chairman and CEO Thierry Le Hénaff said:

"I would like to warmly thank the Arkema teams, whose commitment and professionalism allow us to successfully operate on two levels. On the one hand, we tightly manage costs, capex and working capital to optimize 2025 and be well prepared for 2026. And at the same time, we are following our growth strategy, by strengthening our customer intimacy, delivering our innovation and leveraging our technological platforms in our 5 key high-growth markets. In this respect, I am pleased to announce the launch of a One Arkema platform dedicated to data centers where we have significant growth prospects, and which will reinforce the existing offering in the attractive advanced electronics market.

We are fully convinced that we have all the necessary assets, notably thanks to our recent investments, to benefit from better times of the world economy and capture the numerous opportunities driven by megatrends, which will continue to drive the growth. In the short term, all the teams are fully mobilized on a daily basis to manage the current economic and geopolitical context."

KEY FIGURES

in millions of euros	Q3'25	Q3'24	Change
Sales	**2,187**	**2,394**	**-8.6%**
EBITDA [(a)]	**310**	**407**	**-23.8%**
Specialty Materials	296	377	-21.5%
Intermediates	38	51	-25.5%
Corporate	-24	-21	
EBITDA margin [(a)]	**14.2%**	**17.0%**	
Specialty Materials	14.7%	17.2%	
Intermediates	23.6%	26.7%	
Recurring operating income (REBIT) [(a)]	**142**	**246**	**-42.3%**
REBIT margin [(a)]	6.5%	10.3%	
Adjusted net income [(a)]	**78**	**168**	**-53.6%**
Adjusted net income per share (in €) [(a)]	1.04	2.25	-53.8%
Operating income	94	184	-48.9%
Net income - Group share	35	118	-70.3%
Recurring cash flow [(a)]	207	190	+8.9%
Free cash flow [(a)]	185	175	+5.7%
Net debt and hybrid bonds [(a)] *€3,241m as of 31/12/2024*	**3,403**	**3,111**	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of September 2025 available the end of the document for reconciliation tables and definitions

THIRD-QUARTER 2025 BUSINESS PERFORMANCE

At **€2,187 million,** Group **sales** were down 4.7% compared with the prior year at constant exchange rates. Volumes were down 2.5% in an environment marked by lower demand in the United States during the summer and overall weak demand in Europe, while Asia, particularly China, remained more resilient. Sales were also supported by Arkema's positive momentum in several key markets at the heart of its growth and innovation strategy, namely batteries, sports, 3D printing, healthcare and new-generation fluorospecialties with low Global Warming Potential, whose sales were up around 20% compared to last year. The negative 3.7% price effect was impacted essentially by the acrylic cycle and by the old-generation refrigerant gases. All other activities showed a limited price decrease of 1.3%, and net pricing was slightly negative with some benefit of lower raw materials costs as they work through the supply chain. The 1.5% positive scope effect reflected essentially the integration of Dow's laminating adhesives. The negative 3.9% currency effect was linked to the devaluation of the US dollar and certain Asian currencies against the euro.

At **€310 million**, Group **EBITDA** was down on the previous year (€407 million in Q3'24), and the **EBITDA margin** stood at **14.2%** (17.0% in Q3'24), including an unfavorable currency effect of around €15 million. This performance reflected the significant decline in Coating Solutions, impacted by low cycle conditions in upstream acrylics and lower volumes in the United States, notably in construction, as well as the seasonal decrease in refrigerant gases. Although not immune to the trends in Europe and the United States, Adhesive Solutions and Advanced Materials held up better, supported by the Group's development strategy in higher value-added activities and by volume growth in Asia, notably in the battery and sports sectors. Furthermore, the focus on strict control of operations and the implementation of several cost-saving initiatives enabled the Group to broadly offset fixed cost inflation over the quarter.

Recurring depreciation and amortization totaled €168 million, up €7 million on the third quarter of 2024, mainly reflecting the integration of Dow's laminating adhesives and the start-up of new production units in 2025, partially offset by a favorable currency effect. **Recurring operating income** (REBIT) therefore amounted to **€142 million** (€246 million in Q3'24) and REBIT margin came in at 6.5% (10.3% in Q3'24).

Operating income amounted to **€94 million** (€184 million in Q3'24), including €13 million in non-recurring expenses, mainly corresponding to restructuring costs linked to the reorganization of the Jarrie site.

Adjusted net income stood at **€78 million** (€168 million in Q3'24), *i.e.* €1.04 per share.

CASH FLOW AND NET DEBT AT 30 SEPTEMBER 2025

The Group delivered a very good level of cash, with **recurring cash flow** higher than last year at **€207 million** (€190 million in Q3'24), including a €103 million inflow linked to the continued strict management of working capital. At end-September 2025, working capital represented 17.3% of annualized sales (17.0% at end-June 2025 and 16.4% at end-September 2024). Recurring cash flow also included lower capital expenditure at €131 million (€167 million in Q3'24). Over the full year of 2025, capital expenditure is expected to come in at around €650 million. Besides, the Group plans to reduce capital expenditure to around €600 million in 2026, a reduction of around €50 million compared to 2025 and €150 million compared to 2024.

Free cash flow amounted to **€185 million** (€175 million in Q3'24), including a non-recurring cash outflow of €22 million, linked notably to restructuring costs and reorganization costs at the Jarrie site in France.

Net debt (including hybrid bonds) was down by almost €200 million compared with end-June 2025, and came in at **€3,403 million** at end-September 2025. The net debt and hybrid bonds to last-twelve-months EBITDA ratio stood at 2.6x.

In addition, Arkema successfully placed a new €500 million green bond with an eight-year maturity and an annual coupon of 3.50%. Thus, the Group has finalized the refinancing of its 2026 maturities, while strengthening the alignment of its financing strategy with its sustainable development commitments and extending the average maturity of its debt.

THIRD-QUARTER 2025 PERFORMANCE BY SEGMENT

ADHESIVE SOLUTIONS (31% OF TOTAL GROUP SALES)

in millions of euros	Q3'25	Q3'24	Change
Sales	**675**	**682**	**-1.0%**
EBITDA [a]	**93**	**107**	**-13.1%**
EBITDA margin [a]	**13.8%**	**15.7%**	
Recurring operating income (REBIT) [a]	**66**	**86**	**-23.3%**
REBIT margin [a]	9.8%	12.6%	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of September 2025 available at the end of the document for reconciliation tables and definitions

Despite a significant negative currency effect of 3.8%, **sales** in the Adhesive Solutions segment were slightly down by 1% and totaled **€675 million** (€682 million in Q3'24). Volumes decreased by 3.1%, reflecting broadly weak demand in industrial adhesives, as in the second quarter, as well as disappointing summer months in the United States, notably in flexible packaging and construction. Prices were down slightly by 1.1% in a context of declining costs for certain raw materials, the benefits of which will start to support net pricing more particularly from the fourth quarter onwards. Sales also included a 7.0% positive scope effect related to the acquisition of Dow's flexible packaging laminating adhesives business.

Segment **EBITDA** came in at **€93 million** (€107 million in Q3'24), affected mainly by lower volumes and by the currency effect. At **13.8%**, the **EBITDA margin** was down compared with last year (15.7% in Q3'24), reflecting the decrease in EBITDA as well as the dilutive effect of Dow's adhesives, in integration phase.

ADVANCED MATERIALS (37% OF TOTAL GROUP SALES)

in millions of euros	Q3'25	Q3'24	Change
Sales	**810**	**885**	**-8.5%**
EBITDA [(a)]	**152**	**189**	**-19.6%**
EBITDA margin [(a)]	**18.8%**	**21.4%**	
Recurring operating income (REBIT) [(a)]	**50**	**95**	**-47.4%**
REBIT margin [(a)]	6.2%	10.7%	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of September 2025 available at the end of the document for reconciliation tables and definitions

At **€810 million** (€885 million in Q3'24), **sales** in the Advanced Materials segment were down 4.5% at constant exchange rates, reflecting mainly a negative 3.9% volume effect, essentially related to Performance Additives, while High Performance Polymers volumes were stable. Performance Additives were impacted by the weak demand in the United States and Europe, particularly in the energy markets, and by the reorganization of the Jarrie site in hydrogen peroxide. High Performance Polymers benefited from strong growth in Asia and from their development and innovation strategy in several key markets such as batteries, sports, 3D printing, healthcare and low Global Warming Potential fluorospecialties. In this field, the Group successfully started up its new 1233zd unit in the United States during the quarter and has just finalized the mechanical completion of its Rilsan® Clear unit, downstream of its PA11 plant in Singapore, which is due to start up in the first quarter of 2026. Third-quarter sales also included a negative 4.0% currency effect, while prices were broadly stable at negative 0.6%.

At **€152 million** (€189 million in Q3'24), segment **EBITDA** was mainly impacted by lower volumes in Performance Additives and an unfavorable currency effect. The **EBITDA margin** for the segment remained nevertheless at the good level of **18.8%** (21.4% in Q3’24) with High Performance Polymers maintaining its solid margin level of 20%.

COATING SOLUTIONS (25% OF TOTAL GROUP SALES)

in millions of euros	Q3'25	Q3'24	Change
Sales	**532**	**627**	**-15.2%**
EBITDA [(a)]	**51**	**81**	**-37.0%**
EBITDA margin [(a)]	**9.6%**	**12.9%**	
Recurring operating income (REBIT) [(a)]	**20**	**49**	**-59.2%**
REBIT margin [(a)]	3.8%	7.8%	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of September 2025 available at the end of the document for reconciliation tables and definitions

Sales in the Coating Solutions segment decreased by 15.2% year-on-year to **€532 million**. Down 5.8%, volumes reflected the weak demand, notably in the construction and decorative paints markets, essentially in North America. The negative 5.9% price effect mainly reflected the less favorable market conditions in upstream acrylics. Lastly, the currency effect was a negative 3.5%.

In this context, segment **EBITDA** decreased significantly to **€51 million** (€81 million in Q3'24), reflecting low cycle margins in upstream acrylics as well as the sales decline in the United States, and the **EBITDA margin** came in at **9.6%** (12.9% in Q3'24).

INTERMEDIATES (7% OF TOTAL GROUP SALES)

in millions of euros	Q3'25	Q3'24	Change
Sales	**161**	**191**	**-15.7%**
EBITDA [(a)]	**38**	**51**	**-25.5%**
EBITDA margin [(a)]	**23.6%**	**26.7%**	
Recurring operating income (REBIT) [(a)]	**32**	**39**	**-17.9%**
REBIT margin [(a)]	19.9%	20.4%	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of September 2025 available at the end of the document for reconciliation tables and definitions

Sales in the Intermediates segment, at **€161 million**, were down 15.7% compared to the third quarter of last year. The shift in product mix in refrigerant gases led notably by the end of the production of 410A equipment in the US last year implied a sharp volume rise of 16.7% at segment level offset by a negative 21.6% price effect on a high comparison basis. The scope effect was a negative 5.7%, corresponding to the disposal of non-strategic assets in sebacic acid in China finalized in fourth-quarter 2024. The currency effect was a negative 5.1%.

At **€38 million**, **EBITDA** included the seasonality of the third quarter, and was down 25.5% on last year, reflecting essentially the less favorable macroeconomic environment as well as the impact of the evolution of the regulations in the US and Europe in refrigerant gases, while acrylics in Asia improved slightly. The **EBITDA margin** stood at the high level of **23.6%** (26.7% in Q3'24).

HIGHLIGHTS

On 28 August 2025, Arkema successfully started up its new Forane® 1233zd production unit in Calvert City, USA, continuing its development in low Global Warming Potential (GWP) fluorospecialties to meet the increasing demand for more sustainable solutions in building insulation and thermal management, particularly in cooling for data centers.

On 8 September 2025, Arkema announced the appointment of Laurent Peyronneau as Executive Vice President of the Adhesive Solutions segment (Bostik) and member of the Executive Committee, succeeding Vincent Legros.

On 29 September 2025, Arkema officially showcased its Battery Dry Coating laboratory located at the Cerdato research center, in Normandy, France, together with its customers and partners. This state-of-the-art facility complements Arkema's global network of R&D labs dedicated to the battery industry and reflects Arkema's strategic commitment to pioneering sustainable and high-performance solutions.

On 7 October 2025, Arkema announced a project related to the evolution of the industrial activities of its Pierre-Bénite site in France, providing for the closure of two historic fluorogas production lines. With this project, the Pierre-Bénite site would thus be refocused on the fluoropolymers activity, a range of high value-added specialty materials serving attractive markets such as batteries and semiconductors.

Lastly, Arkema announced on 23 October 2025 that it had completed the modernization and decarbonization project of its Lacq/Mourenx site, which specializes in specialty sulfur derivatives used in particular in agrochemicals, refining, petrochemicals and renewable fuels. This project included the construction of a treatment plant for sulfur-based effluents which operates a more efficient process that helps cut down SO_2 emissions by 40% and GHG emissions by over 10%.

OUTLOOK

In a global context that remains marked by limited visibility, geopolitical tensions, the increase in tariffs and a weak demand environment, the Group continues to prioritize working on the elements under its control, focusing on strictly managing its operating costs, its capital expenditure and its working capital.

Arkema has thus launched a large number of initiatives ramping up across all functions and business lines to optimize and streamline its activities with the objective to broadly offset fixed costs inflation in 2025 and 2026. For this year, the Group confirms its objective of around €100 million of savings in fixed and variable costs.

At the same time, Arkema is continuing to implement its strategic roadmap on Specialty Materials, notably with the ramp-up of its major projects, for the most part already funded. Their additional contribution to the Group's EBITDA has been reassessed for the year at around €60 million, factoring in particular the growth of PVDF in batteries, Pebax® in sports, 1233zd in thermal insulation for buildings and PIAM in advanced electronics, as well as the first contribution from Dow's flexible packaging laminating adhesives business.

Taking into account the currently challenging macroeconomic context and the softer than expected demand in the United States, the Group aims at delivering an EBITDA of between €1.25 billion and €1.3 billion and a recurring cash flow of approximately €300 million in 2025.

Further details concerning the Group's third-quarter 2025 results are provided in the "Third-quarter 2025 results and outlook" presentation and the "Factsheet", both available on Arkema's website at: www.arkema.com/global/en/investor-relations/

FINANCIAL CALENDAR

26 February 2026: Publication of full-year 2025 results

6 May 2026: Publication of first-quarter 2026 results

DISCLAIMER

The information disclosed in this press release may contain forward-looking statements with respect to the financial position, results of operations, business and strategy of Arkema.
In a context of significant geopolitical tensions, where the outlook for the global economy remains uncertain, the retained assumptions and forward-looking statements could ultimately prove inaccurate. Such statements are based on management's current views and assumptions that could ultimately prove inaccurate and are subject to risk factors such as (but not limited to) changes in raw materials prices, currency fluctuations, and the pace at which cost-reduction projects are implemented, escalating geopolitical tensions, and changes in general economic and financial conditions. Arkema does not assume any liability to update such forward-looking statements whether as a result of any new information or any unexpected event or otherwise. Further information on factors which could affect Arkema's financial results is provided in the documents filed with the French Autorité des marchés financiers.

PRESS RELEASE

Balance sheet, income statement and cash flow statement data, as well as information by segment included in this document are extracted from the consolidated financial information at 30 September 2025, as reviewed by Arkema's Board of Directors on 6 November 2025. Quarterly financial information is not audited. Information by segment is presented in accordance with Arkema's internal reporting system used by management.

Definitions and concordance tables for the main alternative performance indicators used by the Group are provided in Notes 6 and 8 to the 30 September 2025 consolidated financial information at the end of this document.

For the purpose of tracking changes in its results, and particularly its sales figures, the Group analyzes the following effects (unaudited analyses):

- ***scope effect:** the impact of changes in the Group's scope of consolidation, which arise from acquisitions and divestments of entire businesses or as a result of the first-time consolidation or deconsolidation of entities. Increases or reductions in capacity are not included in the scope effect;*
- ***currency effect:** the mechanical impact of consolidating accounts denominated in currencies other than the euro at different exchange rates from one period to another. The currency effect is calculated by applying the foreign exchange rates of the prior period to the figures for the period under review;*
- ***price effect:** the impact of changes in average selling prices is estimated by comparing the weighted average net unit selling price of a range of related products in the period under review with their weighted average net unit selling price in the prior period, multiplied, in both cases, by the volumes sold in the period under review; and*
- ***volume effect:** the impact of changes in volumes is estimated by comparing the quantities delivered in the period under review with the quantities delivered in the prior period, multiplied, in both cases, by the weighted average net unit selling price in the prior period.*

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ARKEMA financial statements

Consolidated financial information - At the end of September 2025

Consolidated financial statements as of December 2024 have been audited.

1. CONSOLIDATED INCOME STATEMENT

(In millions of euros)	3rd quarter 2025	3rd quarter 2024
Sales	**2,187**	**2,394**
Operating expenses *	(1,781)	(1,894)
Research and development expenses *	(68)	(70)
Selling and administrative expenses	(231)	(222)
Other income and expenses	(13)	(24)
Operating income	**94**	**184**
Equity in income of affiliates	(1)	(2)
Financial result	(33)	(20)
Income taxes	(25)	(42)
Net income	**35**	**120**
Attributable to non-controlling interests	0	2
Net income - Group share	**35**	**118**
Earnings per share (amount in euros)	*0.47*	*1.43*
Diluted earnings per share (amount in euros)	*0.46*	*1.42*

(In millions of euros)	End of September 2025	End of September 2024
Sales	**6,963**	**7,271**
Operating expenses *	(5,661)	(5,732)
Research and development expenses *	(210)	(207)
Selling and administrative expenses	(697)	(695)
Other income and expenses	(82)	(101)
Operating income	**313**	**536**
Equity in income of affiliates	(1)	(4)
Financial result	(91)	(53)
Income taxes	(89)	(130)
Net income	**132**	**349**
Attributable to non-controlling interests	1	7
Net income - Group share	**131**	**342**
Earnings per share (amount in euros)	*1.42*	*4.36*
Diluted earnings per share (amount in euros)	*1.41*	*4.34*

** Includes a correction of Q3'24 data (transfer between "Operating expenses" and "Research and development expenses")*

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In millions of euros)	3rd quarter 2025	3rd quarter 2024
Net income	**35**	**120**
Hedging adjustments	(11)	13
Other items	0	—
Deferred taxes on hedging adjustments and other items	0	(1)
Change in translation adjustments	(36)	(155)
Other recyclable comprehensive income	**(47)**	**(143)**
Impact of remeasuring unconsolidated investments	(14)	0
Actuarial gains and losses	6	(14)
Deferred taxes on actuarial gains and losses	(1)	3
Other non-recyclable comprehensive income	**(9)**	**(11)**
Total other comprehensive income	**(56)**	**(154)**
Total comprehensive income	**(21)**	**(34)**
Attributable to non-controlling interest	(13)	2
Total comprehensive income - Group share	**(8)**	**(36)**

(In millions of euros)	End of September 2025	End of September 2024
Net income	**132**	**349**
Hedging adjustments	10	10
Other items	0	0
Deferred taxes on hedging adjustments and other items	0	(1)
Change in translation adjustments	(558)	(84)
Other recyclable comprehensive income	**(548)**	**(75)**
Impact of remeasuring unconsolidated investments	(15)	(1)
Actuarial gains and losses	17	4
Deferred taxes on actuarial gains and losses	(2)	(1)
Other non-recyclable comprehensive income	**0**	**2**
Total other comprehensive income	**(548)**	**(73)**
Total comprehensive income	**(416)**	**276**
Attributable to non-controlling interest	(30)	(4)
Total comprehensive income - Group share	**(386)**	**280**

3. CONSOLIDATED CASH FLOW STATEMENT

(In millions of euros)	End of September 2025	End of September 2024
Net income	132	349
Depreciation, amortization and impairment of assets	607	582
Other provisions and deferred taxes	(49)	16
(Gains)/Losses on sales of long-term assets	(6)	3
Undistributed affiliate equity earnings	1	4
Change in working capital	(122)	(262)
Other changes	10	22
Cash flow from operating activities	**573**	**714**
Intangible assets and property, plant, and equipment additions	(371)	(436)
Change in fixed asset payables	(116)	(75)
Acquisitions of operations, net of cash acquired	0	(29)
Increase in long-term loans	(38)	(63)
Total expenditures	**(525)**	**(603)**
Proceeds from sale of intangible assets and property, plant and equipment	9	5
Change in fixed asset receivables	8	—
Proceeds from sale of operations, net of cash transferred	—	—
Repayment of long-term loans	51	52
Total divestitures	**68**	**57**
Cash flow from investing activities	**(457)**	**(546)**
Issuance/(Repayment) of shares and paid-in surplus	—	—
Acquisition/sale of treasury shares	(32)	(24)
Issuance of hybrid bonds	399	399
Redemption of hybrid bonds	—	(400)
Dividends paid to parent company shareholders	(272)	(261)
Interest paid to bearers of subordinated perpetual notes	(24)	(16)
Dividends paid to non-controlling interests and buyout of minority interests	(4)	(2)
Increase in long-term debt	504	494
Decrease in long-term debt	(103)	(764)
Increase / (Decrease) in short-term debt	(722)	327
Cash flow from financing activities	**(254)**	**(247)**
Net increase/(decrease) in cash and cash equivalents	(138)	(79)
Effect of exchange rates and changes in scope	78	29
Cash and cash equivalents at beginning of period	2,013	2,045
Cash and cash equivalents at end of the period	**1,953**	**1,995**

4. CONSOLIDATED BALANCE SHEET

(In millions of euros)	30th September 2025	31st December 2024
ASSETS		
Goodwill	2,878	3,071
Other intangible assets, net	2,151	2,373
Property, plant and equipment, net	3,863	4,227
Investments in equity affiliates	8	11
Other investments	33	50
Deferred tax assets	143	155
Other non-current assets	292	327
TOTAL NON-CURRENT ASSETS	**9,368**	**10,214**
Inventories	1,309	1,348
Accounts receivable	1,304	1,312
Other receivables and prepaid expenses	232	201
Income taxes recoverable	111	101
Current financial derivative assets	21	20
Cash and cash equivalents	1,953	2,013
Assets held for sale	—	—
TOTAL CURRENT ASSETS	**4,930**	**4,995**
TOTAL ASSETS	**14,298**	**15,209**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	761	761
Paid-in surplus and retained earnings	6,693	6,439
Treasury shares	(54)	(22)
Translation adjustments	(179)	348
SHAREHOLDERS' EQUITY - GROUP SHARE	**7,221**	**7,526**
Non-controlling interests	201	235
TOTAL SHAREHOLDERS' EQUITY	**7,422**	**7,761**
Deferred tax liabilities	427	435
Provisions for pensions and other employee benefits	357	391
Other provisions and non-current liabilities	373	456
Non-current debt	4,114	3,680
TOTAL NON-CURRENT LIABILITIES	**5,271**	**4,962**
Accounts payable	886	1,074
Other creditors and accrued liabilities	480	424
Income tax payables	78	82
Current financial derivative liabilities	19	32
Current debt	142	874
Liabilities associated with assets held for sale	—	—
TOTAL CURRENT LIABILITIES	**1,605**	**2,486**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**14,298**	**15,209**

5. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Shares issued						Treasury shares				
(In millions of euros)	**Number**	**Amount**	**Paid-in surplus**	**Hybrid bonds**	**Retained earnings**	**Translation adjustments**	**Number**	**Amount**	**Shareholders' equity - Group share**	**Non-controlling interests**	**Shareholders' equity**
At 1st January 2025	**76,060,831**	**761**	**1,117**	**700**	**4,622**	**348**	**(257,160)**	**(22)**	**7,526**	**235**	**7,761**
Cash dividend	—	—	—	—	(296)	—	—	—	(296)	(8)	(304)
Issuance of share capital	—	—	—	—	—	—	—	—	—	—	—
Capital reduction by cancellation of treasury shares	—	—	—	—	—	—	—	—	—	—	—
Acquisition/sale of treasury shares	—	—	—	—	—	—	(462,314)	(32)	(32)	—	(32)
Grants of treasury shares to employees	—	—	—	—	0	—	109	0	0	—	0
Share-based payments	—	—	—	—	10	—	—	—	10	—	10
Issuance of hybrid bonds	—	—	—	400	(1)	—	—	—	399	—	399
Redemption of hybrid bonds	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	0	—	—	—	0	4	4
Transactions with shareholders	**—**	**—**	**—**	**400**	**(287)**	**—**	**(462,205)**	**(32)**	**81**	**(4)**	**77**
Net income	—	—	—	—	131	—	—	—	131	1	132
Total income and expense recognized directly through equity	—	—	—	—	10	(527)	—	—	(517)	(31)	(548)
Total comprehensive income	**—**	**—**	**—**	**—**	**141**	**(527)**	**—**	**—**	**(386)**	**(30)**	**(416)**
At 30th September 2025	**76,060,831**	**761**	**1,117**	**1,100**	**4,476**	**(179)**	**(719,365)**	**(54)**	**7,221**	**201**	**7,422**

6. ALTERNATIVE PERFORMANCE INDICATORS

The Group uses performance indicators that are not directly defined in the consolidated financial statements under IFRS and which are used as monitoring and analysis tools. The purpose of these indicators is to provide additional information to illustrate the Group's financial performance and its various activities, notably by eliminating exceptional or non-recurring items in certain cases, to ensure period-on-period comparability. In some cases, the indicators may also provide a consistent basis for comparison with the financial performance of our peers. A reconciliation with the aggregates of the IFRS consolidated financial statements is presented in this note.

RECURRING OPERATING INCOME (REBIT) AND EBITDA

(In millions of euros)	End of September 2025	End of September 2024	3rd quarter 2025	3rd quarter 2024
OPERATING INCOME	**313**	**536**	**94**	**184**
- Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(105)	(113)	(35)	(38)
- Other income and expenses	(82)	(101)	(13)	(24)
RECURRING OPERATING INCOME (REBIT)	**500**	**750**	**142**	**246**
- Recurring depreciation and amortization of property, plant and equipment and intangible assets	(503)	(458)	(168)	(161)
EBITDA	**1,003**	**1,208**	**310**	**407**

Details of depreciation and amortization of property, plant and equipment and intangible assets:

(In millions of euros)	End of September 2025	End of September 2024	3rd quarter 2025	3rd quarter 2024
Depreciation and amortization of property, plant and equipment and intangible assets	**(607)**	**(582)**	**(203)**	**(200)**
Of which: Recurring depreciation and amortization of property, plant and equipment and intangible assets	(503)	(458)	(168)	(161)
Of which: Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(105)	(113)	(35)	(38)
Of which: Impairment included in other income and expenses	1	(11)	0	(1)

ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE

(In millions of euros)	End of September 2025	End of September 2024	3rd quarter 2025	3rd quarter 2024
NET INCOME - GROUP SHARE	**131**	**342**	**35**	**118**
- Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(105)	(113)	(35)	(38)
- Other income and expenses	(82)	(101)	(13)	(24)
- Other income and expenses attributable to non-controlling interests	—	—	—	—
- Taxes on depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	22	25	6	9
- Taxes on other income and expenses	7	17	1	5
- One-time tax effects	(6)	(6)	(2)	(2)
ADJUSTED NET INCOME	**295**	**520**	**78**	**168**
Weighted average number of ordinary shares *	75,521,661	74,699,719		
Weighted average number of potential ordinary shares	75,980,903	75,114,108		
ADJUSTED EARNINGS PER SHARE (in euros)	**3.91**	**6.96**	**1.04**	**2.25**
DILUTED ADJUSTED EARNINGS PER SHARE (in euros)	**3.88**	**6.92**	**1.02**	**2.23**

** End of September 2024 data adjusted to include a missing transaction for the quarter*

RECURRING CAPITAL EXPENDITURE

(In millions of euros)	End of September 2025	End of September 2024	3rd quarter 2025	3rd quarter 2024
INTANGIBLE ASSETS AND PROPERTY, PLANT, AND EQUIPMENT ADDITIONS	**371**	**436**	**131**	**167**
- Exceptional capital expenditure	—	—	—	—
- Investments relating to portfolio management operations	—	—	—	—
- Capital expenditure with no impact on net debt	—	—	—	—
RECURRING CAPITAL EXPENDITURE	**371**	**436**	**131**	**167**

CASH FLOWS

(In millions of euros)	End of September 2025	End of September 2024	3rd quarter 2025	3rd quarter 2024
+ Cash flow from operating activities	573	714	298	334
+ Cash flow from investing activities	(457)	(546)	(111)	(160)
NET CASH FLOW	**116**	**168**	**187**	**174**
- Net cash flow from portfolio management operations	(5)	(42)	2	(1)
FREE CASH FLOW	**121**	**210**	**185**	**175**
- Exceptional capital expenditure	—	—	—	—
- Non-recurring cash flow	(59)	(52)	(22)	(15)
RECURRING CASH FLOW	**180**	**262**	**207**	**190**
- Recurring capital expenditure	(371)	(436)	(131)	(167)
OPERATING CASH FLOW	**551**	**698**	**338**	**357**

NET DEBT

(In millions of euros)	End of September 2025	End of December 2024
Non-current debt	4,114	3,680
+ Current debt	142	874
- Cash and cash equivalents	1,953	2,013
NET DEBT	**2,303**	**2,541**
+ Hybrid bonds	1,100	700
NET DEBT AND HYBRID BONDS	**3,403**	**3,241**
Last twelve months EBITDA	1,327	1,532
NET DEBT AND HYBRID BONDS TO EBITDA RATIO	**2.6**	**2.1**

WORKING CAPITAL

(In millions of euros)	End of September 2025	End of December 2024
Inventories	1,309	1,348
+ Accounts receivable	1,304	1,312
+ Other receivables including income taxes recoverable	343	302
+ Current financial derivative assets	21	20
- Accounts payable (operating suppliers)	886	1,074
- Other liabilities including income taxes	558	506
- Current financial derivative liabilities	19	32
WORKING CAPITAL	**1,514**	**1,370**

CAPITAL EMPLOYED

(In millions of euros)	End of September 2025	End of December 2024
Goodwill, net	2,878	3,071
+ Intangible assets (excluding goodwill), and property, plant and equipment, net	6,014	6,600
+ Investments in equity affiliates	8	11
+ Other investments and other non-current assets	325	377
+ Working capital	1,514	1,370
CAPITAL EMPLOYED	**10,739**	**11,429**

7. INFORMATION BY SEGMENT

(In millions of euros)	3rd quarter 2025					
	Adhesive Solutions	Advanced Materials	Coating Solutions	Intermediates	Corporate	Total
Sales	**675**	**810**	**532**	**161**	**9**	**2,187**
EBITDA [a]	**93**	**152**	**51**	**38**	**(24)**	**310**
Recurring depreciation and amortization of property, plant and equipment and intangible assets [a]	(27)	(102)	(31)	(6)	(2)	(168)
Recurring operating income (REBIT) [a]	**66**	**50**	**20**	**32**	**(26)**	**142**
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(24)	(9)	(2)	—	—	(35)
Other income and expenses	0	(11)	—	0	(2)	(13)
Operating income	**42**	**30**	**18**	**32**	**(28)**	**94**
Equity in income of affiliates	—	0	—	—	(1)	(1)
Intangible assets and property, plant, and equipment additions	**20**	**69**	**34**	**2**	**6**	**131**
Of which: recurring capital expenditure [a]	20	69	34	2	6	131

(In millions of euros)	3rd quarter 2024					
	Adhesive Solutions	Advanced Materials	Coating Solutions	Intermediates	Corporate	Total
Sales	**682**	**885**	**627**	**191**	**9**	**2,394**
EBITDA [a]	**107**	**189**	**81**	**51**	**(21)**	**407**
Recurring depreciation and amortization of property, plant and equipment and intangible assets [a]	(21)	(94)	(32)	(12)	(2)	(161)
Recurring operating income (REBIT) [a]	**86**	**95**	**49**	**39**	**(23)**	**246**
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(28)	(8)	(2)	—	—	(38)
Other income and expenses	(9)	(13)	0	0	(2)	(24)
Operating income	**49**	**74**	**47**	**39**	**(25)**	**184**
Equity in income of affiliates	—	(2)	—	—	—	(2)
Intangible assets and property, plant, and equipment additions	**21**	**100**	**28**	**3**	**15**	**167**
Of which: recurring capital expenditure [a]	21	100	28	3	15	167

(a) Alternative performance indicator: refer to sections 6 and 8 for reconciliation tables and definitions.

7. INFORMATION BY SEGMENT

(In millions of euros)	End of September 2025					
	Adhesive Solutions	Advanced Materials	Coating Solutions	Intermediates	Corporate	Total
Sales	**2,106**	**2,621**	**1,704**	**506**	**26**	**6,963**
EBITDA [(a)]	**295**	**503**	**162**	**116**	**(73)**	**1,003**
Recurring depreciation and amortization of property, plant and equipment and intangible assets [(a)]	(78)	(299)	(94)	(21)	(11)	(503)
Recurring operating income (REBIT) [(a)]	**217**	**204**	**68**	**95**	**(84)**	**500**
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(73)	(27)	(5)	—	—	(105)
Other income and expenses	(19)	(54)	—	3	(12)	(82)
Operating income	**125**	**123**	**63**	**98**	**(96)**	**313**
Equity in income of affiliates	—	0	—	—	(1)	(1)
Intangible assets and property, plant, and equipment additions	**46**	**190**	**110**	**9**	**16**	**371**
Of which: recurring capital expenditure [(a)]	46	190	110	9	16	371

(In millions of euros)	End of September 2024					
	Adhesive Solutions	Advanced Materials	Coating Solutions	Intermediates	Corporate	Total
Sales	**2,068**	**2,681**	**1,890**	**603**	**29**	**7,271**
EBITDA [(a)]	**321**	**541**	**247**	**174**	**(75)**	**1,208**
Recurring depreciation and amortization of property, plant and equipment and intangible assets [(a)]	(65)	(263)	(93)	(32)	(5)	(458)
Recurring operating income (REBIT) [(a)]	**256**	**278**	**154**	**142**	**(80)**	**750**
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(81)	(27)	(5)	—	—	(113)
Other income and expenses	(25)	(64)	0	(1)	(11)	(101)
Operating income	**150**	**187**	**149**	**141**	**(91)**	**536**
Equity in income of affiliates	—	(4)	—	—	—	(4)
Intangible assets and property, plant, and equipment additions	**48**	**276**	**71**	**14**	**27**	**436**
Of which: recurring capital expenditure [(a)]	48	276	71	14	27	436

(a) Alternative performance indicator: refer to sections 6 and 8 for reconciliation tables and definitions.

8. DEFINITIONS OF ALTERNATIVE PERFORMANCE INDICATORS

- **Recurring depreciation and amortization of property, plant and equipment and intangible assets**

This alternative performance indicator corresponds to depreciation, amortization and impairment of property, plant and equipment and intangible assets before taking into account:

i. depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses, and
ii. impairment included in other income and expenses.

The indicator facilitates period-to-period comparisons by eliminating non-recurring items.

- **Working capital**

This alternative performance indicator corresponds to the net amount of current assets and liabilities relating to operating activities, capital expenditure and financing activities. It reflects the Group's short-term financing requirements resulting from cash flow timing differences between outflows and inflows relating to operating activities.

- **Capital employed**

This alternative performance indicator corresponds to the sum of the following:

i. the net book value of goodwill,
ii. the net book value of intangible assets (excluding goodwill) and property, plant and equipment,
iii. the amount of investments in equity affiliates,
iv. the amount of other investments and other non-current assets, and
v. working capital.

Capital employed is used to analyze the amount of capital invested by the Group to conduct its business.

- **Adjusted capital employed**

This alternative performance indicator corresponds to capital employed adjusted for divestments and acquisitions, to ensure consistency between the numerator and denominator items used to calculate ROCE.

In the case of an announced divestment of a business announced and not finalized by 31 December, the operating income of this business remains consolidated in the income statement, and is therefore included in the calculation of REBIT, whereas items relating to capital employed are classified as assets/liabilities held for sale and are therefore excluded from the calculation of capital employed. To ensure consistency between the numerator and denominator items used to calculate ROCE, capital employed at 31 December is increased by the capital employed relating to the business being sold.

When an acquisition is finalized during the year, operating results are only consolidated in the income statement from the date of acquisition, and not for the full year, while capital employed is recognized in full at 31 December. When the acquisition has not generated a material contribution to the year's earnings, in order to ensure consistency between the numerator and denominator items used to calculate ROCE, capital employed at 31 December is reduced by the capital employed relating to the acquired business, unless they are considered as not material.

- **Net debt**

This alternative performance indicator corresponds to the sum of current and non-current debt less cash and cash equivalents.

- **Net debt and hybrid bonds**

This alternative performance indicator corresponds to the amount of net debt and hybrid bonds.

- **Net debt and hybrid bonds to EBITDA ratio**

This alternative performance indicator corresponds to the ratio of net debt and hybrid bonds to EBITDA. The indicator measures the level of debt in relation to the Group's operating performance, and provides a consistent basis for comparison with our peers.

- **Earnings Before Interest Taxes Depreciation & Amortization (EBITDA)**

The IFRS item most similar to this alternative performance indicator is operating income.

The indicator corresponds to operating income before taking into account:

i. recurring depreciation and amortization of property, plant and equipment and intangible assets,
ii. other income and expenses, and
iii. depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses.

This indicator is used to assess the Group's operating profitability and its ability to generate operating cash flow before changes in working capital, capital expenditure and cash flow from financing and tax expenses. It also facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers.

- **Recurring cash flow**

This alternative performance indicator corresponds to free cash flow excluding non-recurring or exceptional items, i.e., non-recurring cash flow and exceptional capital expenditure. The indicator enables period-to-period comparisons by eliminating the impact of exceptional or non-recurring items and portfolio management, and provides a consistent basis for comparison with our peers. It is used to assess the Group's ability to generate cash to finance its shareholder returns, non-recurring or exceptional items and acquisitions.

- **Free cash flow**

This alternative performance indicator corresponds to net cash flow before taking into account net cash flow from portfolio management operations. It enables period-to-period comparisons by eliminating portfolio management, and provides a consistent basis for comparison with our peers.

- **Net cash flow**

This alternative performance indicator corresponds to the sum of two IFRS items, cash flow from operations and cash flow from net investments. It provides an estimate of Group cash flow before changes in cash flow from financing activities.

- **Net cash flow from portfolio management operations**

This alternative performance indicator corresponds to cash flows from acquisitions and divestments as described in notes 3.2.2 "Acquisitions during the year" and 3.3 "Business divestments".

- **Non-recurring cash flow**

This alternative performance indicator corresponds to cash flow from other income and expenses, as described in note 6.1.5 "Other income and expenses".

- **Operating cash flow**

This alternative performance indicator corresponds to free cash flow before taking into account intangible assets and property, plant and equipment additions, adjusted for non-recurring cash flows. It is used to assess the Group's ability to generate cash to finance its intangible assets and property, plant and equipment additions, shareholder returns and acquisitions. It corresponds to and replaces the "Operating cash flow" indicator defined at the Capital Markets Day on 27 September 2023.

- **Recurring capital expenditure**

The IFRS item most similar to this alternative performance indicator is intangible assets and property, plant and equipment additions. Recurring capital expenditure includes all intangible assets and property, plant and equipment additions, adjusted for exceptional capital expenditure, investments linked to portfolio management operations and investments with no impact on net debt (financed by third parties). This indicator enables period-to-period comparisons by eliminating exceptional items, and provides a consistent basis for comparison with our peers.

- **Exceptional capital expenditure**

Alternative performance indicator corresponding to a very limited number of capital expenditure items for major development projects that the Group presents separately in its financial communication due to their size and nature.

- **REBIT margin**

This alternative performance indicator corresponds to the recurring operating income (REBIT) to sales ratio. It facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers.

- **EBITDA margin**

This alternative performance indicator corresponds to the EBITDA to sales ratio. It facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers. It is also one of the financial performance criteria linked to performance share plans.

- **Recurring operating income (REBIT)**

The IFRS item most similar to this alternative performance indicator is operating income. The indicator corresponds to operating income before taking into account:

i. depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses, and
ii. other income and expenses.

The indicator assesses the Group's operating profitability before tax and excluding non-recurring items, whatever the financing structure, since it does not take into account financial result. It facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers.

- **Adjusted net income**

The IFRS item most similar to this alternative performance indicator is net income – Group share. This indicator corresponds to net income – Group share before non-recurring items. Exceptional or non-recurring items correspond to:

i. other income and expenses, net of applicable taxes,
ii. depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses, net of applicable taxes, and
iii. one-time tax effects unrelated to other income and expenses and relating to events that are exceptional in terms of frequency and amount, such as the recognition or impairment of deferred tax assets, or the impact of a change in tax rates on deferred taxes.

This indicator enables us to assess the Group's profitability by taking account of not only operating items, but also the Group's financing structure and income taxes. It facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers.

- **Adjusted earnings per share**

This alternative performance indicator is calculated by dividing adjusted net income for the period by the weighted average number of ordinary shares outstanding during the period.

- **Diluted adjusted earnings per share**

This alternative performance indicator corresponds to earnings per share adjusted for the dilutive effect of all potential ordinary shares. It is calculated by dividing adjusted net income for the period by the weighted average number of potential ordinary shares outstanding during the period.

- **Return on capital employed (ROCE)**

This alternative performance indicator corresponds to the ratio of recurring operating income (REBIT) for the period to capital employed at the end of the period. It is used to assess the profitability of capital expenditure over time.

- **Return on adjusted capital employed**

This alternative performance indicator corresponds to the ratio of recurring operating income (REBIT) for the period to the adjusted capital employed at the end of the period. It is used to assess the profitability of capital expenditure over time, by adjusting items relating to capital employed acquired during the period or in the course of disposal to bring them into line with the items used in REBIT.

- **EBITDA to cash conversion rate**

This alternative performance indicator corresponds to the ratio of recurring cash flow to EBITDA. The indicator is used to assess the Group's ability to generate cash to finance, in particular, returns to shareholders, exceptional capital expenditure and acquisitions.

- **EBITDA to operating cash conversion rate**

This alternative performance indicator corresponds to the ratio of operating cash flow to EBITDA. The indicator provides a consistent basis for comparison between periods and with our peers, whatever the growth strategy adopted, whether external growth through acquisitions or internal growth through capital expenditure. It is also one of the financial performance criteria linked to performance share plans. It corresponds to and replaces the "Operating cash conversion rate" indicator defined at the Capital Markets Day on 27 September 2023.