



**International Conference Call  
3Q25 Earnings Results Transcription  
Braskem S/A (BRKM5 BZ)  
November 11<sup>th</sup>, 2025**

**Operator:** Good morning everyone and thank you for waiting. Welcome to BRASKEM'S **3rd quarter of 2025** results conference call. With us here today we have Mr. **Roberto Ramos** – Braskem's CEO, Mr. **Felipe Jens** – Braskem's CFO and Mrs. **Rosana Avolio** – Investor Relations, Strategic Planning and Corporate Market Intelligence Director.

We inform you that this event is being recorded. The presentation will be held in Portuguese, with simultaneous translation into English. All participants can choose which language to listen to and see the presentation, using the "show captions" and "view options" buttons, respectively. After BRASKEM remarks, there will be a question and answer session. Please be advised that questions must be sent through the Q&A button.

Agora, informarei essas mesmas instruções em português.

Informamos que este evento está sendo gravado. A apresentação será realizada em português, com tradução simultânea para o inglês. Todos os participantes podem escolher qual idioma ouvir e ver a apresentação, através dos botões "Interpretação" e "Opções de visualização", respectivamente. Após a apresentação da BRASKEM, iniciaremos a sessão de perguntas e respostas. Informamos que as perguntas deverão ser enviadas por meio do botão de Q&A.

The audio of this event will be available on the Investor Relations website after it ends. We remind you that participants will be able to register questions for BRASKEM, which will be answered after the end of the conference, by the IR department.

Before proceeding, we would like to clarify that any statements that may be made during this conference call, regarding BRASKEM's business prospects, projections, operational and financial goals, constitute beliefs and assumptions of the Company's Management, as well as information currently available to BRASKEM. Future considerations are not a guarantee of performance and involve risks, uncertainties and assumptions, as they refer to future events and, therefore, depend on circumstances that may or may not occur.

Investors and analysts should understand that general conditions, industry conditions and other operational factors may affect BRASKEM's future results, and may lead to results that differ materially from those expressed in such future conditions.



Now, I'll turn the conference over to Rosana Avolio – Investor Relations, Strategic Planning and Corporate Market Intelligence Director. Mrs. Avolio, you may begin your presentation.

**Rosana Avolio:** Good morning, everyone. Thank you for participating in Braskem's earnings conference call for the third quarter of 2025.

As indicated in the agenda described on slide 3, I will begin the presentation with the Company's main highlights in the period, starting on slide 4.

In the third quarter of 2025 (two thousand and twenty-five), the industry's performance continued to be impacted by the prolonged downward cycle.

Utilization rates at petrochemical plants in Brazil were lower than in the second quarter due to the scheduled maintenance shutdown at the Rio de Janeiro Complex and the continued implementation of the strategy to optimize production at naphtha-based plants, which takes into account demand levels and spreads on the international market.

In the United States and Europe, the increase is mainly due to the normalization of operations and the rebuilding of inventory in the United States.

While production levels in Mexico remained lower given the first general maintenance shutdown since the start of production, which was completed at the end of July 2025.

With regard to safety, a non-negotiable value, Braskem recorded an average accident frequency rate of .75 events per million hours worked, down on the previous quarter and well below the global industry average.

In the quarter, the company recorded consolidated recurring EBITDA of US\$150 MM, 104% higher than in 2Q25, with the Brazil/South America segment standing out.

With regard to operating cash flow, despite the better EBITDA recorded in the quarter, the company had operating cash consumption of approximately US\$62 MM.

Braskem's cash position at the end of the third quarter was approximately US\$1.3 billion, sufficient to cover debt maturities over the next 27 months, without taking into account the international standby revolving credit line in the full amount of US\$1.0 billion and maturing in December 2026.

The company's total liquidity, including this credit line, was approximately US\$2.3 billion at the end of the quarter.

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In the third quarter of 2025, the global macroeconomic scenario was marked by moderate growth, decelerating inflation, high interest rates and strong geopolitical and trade tensions.



And considering the still volatile scenario, we have seen a significant impact in the regions where we operate, resulting in lower industrial activity in resin processing and an atypical downturn in demand for the period, reflecting the challenges faced by the industry on a global scale, especially in Brazil and Europe.

In addition, most international petrochemical spreads fell in the period, remaining at historically low levels due to excess installed capacity which, together with weakened demand, continues to put negative pressure on the sector's profitability globally.

Moving on to the next slide.

The performance of each of the Company's segments will be presented below, starting with Brazil on slide number 7.

In Brazil, the utilization rate at petrochemical plants was lower due to the scheduled shutdown of the Rio de Janeiro petrochemical Complex and the strategy of optimizing production at naphtha-based plants in the face of demand levels.

Resin sales in the Brazilian market were lower, mainly due to the higher volume of polyethylene imports and lower demand for polypropylene. This reduction was offset by higher sales of key chemicals.

In the quarter, recurring EBITDA was US\$205 MM (two hundred and five million, 35% higher than in the previous quarter. This increase is mainly explained by the prioritization of sales with higher added value, the implementation of the commercial strategy to supply the Brazilian market and the initiatives of the resilience program.

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In the third quarter of 2025, the utilization rate of the green ethylene plant was 40%, 31 p.p. lower than the previous quarter, impacted by the continued implementation of measures to optimize inventory levels, which is part of the resilience program.

Sales were lower compared to the second quarter due to lower demand from Asian markets.

In relation to the strategy of accelerating the production of new bioproducts and with the aim of seeking opportunities to create value, Braskem GreenCo was created at the end of 2023, a company that already owns the green ethylene assets in Rio Grande do Sul and which will concentrate the growth of Braskem's green portfolio.

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The utilization rate in the United States and Europe segment was higher due to the normalization of operations and the rebuilding of inventories in the United States.

The lower sales volume compared to the previous quarter is mainly explained by lower industrial activity in Europe and weakened demand in the United States.



The segment's result continued at negative levels, impacted by weakened demand in the regions, pressured spreads and higher ship expenses. These effects were partially offset by the lower inventory effect of Feedstock acquired in previous periods in the United States.

Moving on to the next slide, where we'll talk about the Mexico segment's performance in the quarter.

The utilization rate for the quarter was 47%, still impacted by the first general maintenance shutdown since the plant's start-up, which was concluded on July 31st.

With regard to ethane supply, the lower volume of ethane supplied by PEMEX compared to the previous quarter was offset by the increase in the volume imported through Fast Track and the start of supply from the ethane import terminal.

In this scenario, the volume of polyethylene sales was lower than in the second quarter.

The segment's Recurrent EBITDA for the period was negative by US\$37 MM, also impacted by the higher idle expenses in the quarter, due to the scheduled shutdown; and lower provisions for fines receivable for delays in the construction of TQPM compared to 2Q25.

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The general maintenance shutdown at Braskem's Idesa petrochemical Complex was completed at the end of July, with the participation of more than 3,000 people. This was the first scheduled maintenance shutdown at the petrochemical complex in Mexico since its inauguration in 2016.

In addition, the start of ethane supplies from Terminal Química Puerto México in September 2025 marks the beginning of a new chapter in the history of Braskem Idesa with the reduction of the need to use the Fast Track solution and guaranteeing the possibility of access to 100% of Braskem Idesa's feedstock at lower logistical costs.

This ethane will be transported using two ethane transport vessels leased by Braskem Trading & Shipping, which are dedicated to this operation.

TQPM is connected to the petrochemical complex in Mexico via pipelines, guaranteeing greater reliability to the operation when compared to the Fast Track solution.

It is worth noting that in September, TQPM's supply of ethane to Braskem Idesa amounted to approximately 11,000 barrels per day.

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In the next chapter, we will discuss the company's consolidated results.



Consolidated recurring EBITDA in the third quarter was US\$150 MM. The increase in relation to the previous quarter is mainly explained by the prioritization of higher value-added sales, prioritization of supply to the Brazilian market, positively impacting the contribution margin, lower inventory effect in the United States and the implementation of the resilience plan initiatives, with emphasis on reducing fixed costs in general.

These effects were partially offset by higher idle expenses due to scheduled shutdowns in Brazil and Mexico, and by the appreciation of the real against the dollar.

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By the end of September 2025, all the work fronts in Maceió were progressing according to plan.

The Relocation and Compensation front continued to show progress in its indicators, and ended the quarter with 99.9% execution of the residents' relocation program. The same percentage applies to the number of proposals submitted for the financial compensation and relocation support program, of which around 99.6% were accepted and 99.5% were paid out.

At the same time, the closure and monitoring of the salt cavities is being implemented. After all the actions have been taken, if necessary, to ensure that the 35 cavities reach a maintenance-free state in the long term, this quarter we highlight the achievement of the technical filling limit of cavity 16. As a result, six cavities have now been naturally filled, six cavities have been completed, three have reached the technical filling limit and seven cavities are being filled.

Additionally, as announced by the Company through a Material Fact, Braskem and the State of Alagoas signed an agreement related to the Alagoas geological event, providing for a total payment of R\$1.2 billion, of which around R\$139 million had already been paid. The outstanding balance is to be paid in 10 variable and adjusted annual installments, mainly after 2030, taking into account the Company's payment capacity.

The State Agreement establishes compensation, indemnification and/or reimbursement to the State of Alagoas for full reparation of any and all state property and off-patrimonial damages and grants the Company full discharge for any damage arising from and/or related to the geological event in Alagoas, including the extinction of the Alagoas State Action.

The signing of this agreement represents a significant and important step forward for the company in relation to the impacts resulting from the geological event in Alagoas.

Therefore, in relation to the financial provision, the total provision relating to the Alagoas event was around R\$18.1 billion, of which around R\$13.6 billion have already been disbursed and approximately R\$1.5 billion have been reclassified to other



obligations payable, including related to the Agreement signed with the State of Alagoas, as mentioned above.

As a result, the total provisioned balance at the end of the third quarter of 2025 was R\$3.8 billion.

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In the third quarter of 2025, the implementation of resilience measures, especially the optimization of inventory levels, was important in partially mitigating the consumption of working capital.

The company had an operating cash consumption of R\$334 million, impacted mainly by the higher seasonal disbursement of operating investments, including the scheduled shutdown at the Rio de Janeiro petrochemical Complex and in Mexico.

Recurring cash consumption was mainly impacted by higher half-yearly interest payments on debt securities issued on the international market by the Company, which are concentrated in the first and third quarters of the year.

The sale of investment fund quotas, part of the resilience plan, and the receipt of the last installment of the sale of Cetrel, reduced this consumption by R\$211 MM.

Finally, considering the disbursements in Alagoas, the company had a cash consumption of approximately R\$2.2 billion.

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Braskem ended the third quarter of the year with an elongated debt profile, with 69% of its debts concentrated after 2030.

In order to strengthen its liquidity position in the face of the industry's prolonged downturn, the company drew down its standby line in the amount of US\$1 billion at the beginning of October. The current line matures in December 2026.

The available cash of US\$1.3 billion is enough to cover the debt's principal repayments over the next 27 months.

Finally, corporate leverage stood at approximately 14.7x at the end of the third quarter of 2025, mainly due to the lower EBITDA over the last twelve months.

Following our agenda, on slide 18.

This concludes the overview of the results for the third quarter of 2025 (two thousand and twenty-five) and next, I will comment on the Company's Resilience and Transformation Program.



Braskem continues to focus on implementing the initiatives set out in its Global Resilience and Transformation Program, considering the significant impacts resulting from the prolonged downturn of the entire industry and the Brazilian chemical sector. To this end, the company has adopted measures aimed at generating sustainable value, with an emphasis on maximizing EBITDA and mitigating cash consumption.

Braskem's Resilience Program is aimed at implementing tactical initiatives in the company's operations and processes and is structured around two pillars: (i) initiatives with an impact on EBITDA and short-term cash generation; and (ii) actions to defend the competitiveness of the Brazilian chemical industry.

With a focus on building a more competitive, resilient and sustainable Braskem, the Transformation Program brings together initiatives that support the perpetuity of the business and is structured around three pillars: (i) optimizing the naphtha base; (ii) increasing the flexibility of the gas base; and finally (iii) migrating to products with renewable sources.

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Following on from what was presented on the previous slide, the implementation of the Global Resilience Program's fronts has been intensified considering the prolonged downturn in the industry.

So far, we have established 79 action plans globally, which have been broken down into more than 700 initiatives. These actions are distributed on the fronts presented above: institutional agenda, commercial agenda, monetization of assets, negotiation with suppliers, optimization of capital employed and operational optimization.

In 2025, the potential for capturing these actions is around US\$400 MM in EBITDA and around US\$500 MM in cash generation in relation to the business plan budget for the year 2025.

Regarding the progress of the implementation of the actions, around one third of the initiatives have already been implemented, and others are in execution or partially implemented, demonstrating the progress of the program.

This program is an essential pillar to get through the challenging scenario of the global Industry

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Continuing what we saw in the previous slides, resilience initiatives have made progress that is fundamental to mitigating the impacts of the prolonged downturn in the industry.

On the regulatory side, we have made significant progress in strengthening the Brazilian chemical industry and ensuring fair competitiveness.



Among them, the approval of the provisional application of the anti-dumping duty for PE imported from the USA and Canada, mitigating the existing damage in the Brazilian market, and the maintenance of the 20% import rate in Brazil for PE, PP and PVC resins.

In addition, the approval of bill 892 of 2025 by the Chamber of Deputies represents a significant step forward for the Brazilian chemical industry, which has been operating at the highest idle rate in the last 30 years. The Goal of this bill is to extend the REIQ, Special Regime for the Chemical Industry, in November and December 2025, in addition to instituting the PRESIQ, Special Program for the Sustainability of the Chemical Industry from 2027 to 2031. The text of the bill is currently being processed in the Senate for approval and subsequent presidential sanction.

Braskem, together with ABIQUIM and other companies in the sector, reinforces the importance of approving Bill 892. ABIQUIM's technical studies indicate that this bill could generate an estimated positive impact of R\$112 billion on Brazil's GDP by 2029, create up to 1.7 million direct and indirect jobs, recover up to R\$65 billion in tax revenue, as well as increasing the use of the sector's installed capacity, which currently operates at the lowest level in the industry.

In addition, a series of initiatives with an impact on EBITDA were implemented, such as: commercial optimizations, reduction of logistics costs, energy, supplies, inputs and feedstock, optimization of inventory levels, as we commented on throughout the performance of the segments, monetization of tax credits, among others.

These combined initiatives generated a positive impact of around US\$240 MM in EBITDA and approximately US\$330 MM in cash in the year to date compared to the budget of the Company's business plan for 2025.

These results reinforce the importance of the resilience program in the current industry scenario.

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With regard to the transformation program, the company also made progress on initiatives to increase the competitiveness of its operations in the medium and long term, with the aim of guaranteeing the perpetuity of the business.

Starting with Transforma Alagoas, we highlight the beginning of actions to increase the competitiveness of the company's PVC operations and make them more sustainable.

The chlor-alkali plant in Alagoas will be transformed into a unit dedicated to handling volumes of EDC, the feedstock for PVC. In this context, the chlor-alkali plant was hibernated in September 2025.

The company is thus starting a new PVC operating model and will now import all its EDC needs through a long-term contract signed with an international supplier.



Braskem, which has been present in Alagoas for 48 years, reaffirms its commitment to the socio-economic development of the state, boosting the strengthening of the chemical and plastic chain.

With regard to the Transforma Sul initiative, the study into importing LPG for use as Feedstock has been completed. It is worth noting that the Rio Grande do Sul petrochemical plant is the most competitive naphtha-based plant in South America and the best positioned on the global ethylene cash cost curve.

This study was carried out with the aim of taking advantage of the plant's existing gas processing flexibility, combined with greater logistical efficiency, by importing LPG from Argentina, taking advantage of Vaca Muerta's production.

This initiative brings potential incremental profitability of around US\$110/ton compared to using naphtha as a feedstock.

These actions demonstrate how the company has sought to modify its operations to ensure efficiency, flexibility and long-term sustainability.

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Concluding this chapter, we come to the biggest transformation initiative underway: Transforma Rio.

The expansion of the Rio de Janeiro Complex's capacity was approved by the Board of Directors in October 2025.

This project will add 220 kt/year of ethylene capacity, with an equivalent expansion of PE, increasing the share of gas in Braskem's feedstock profile. The estimated investment is R\$4.2 billion, with completion estimated for the end of 2028.

The implementation of the project is conditional on obtaining funding, in addition to the resources already approved under the REIQ Investments benefit for 2025 and 2026, and a long-term supply contract with Petrobras.

In addition to increasing the competitiveness of Brazil's most efficient petrochemical plant, this expansion will bring greater competitiveness to the Brazilian polyethylene market, which is in deficit, and positive socio-economic impacts, such as revenue generation for the state and the creation of more than 7,500 jobs during the project's execution.

With this, we conclude the chapter by reinforcing that the Resilience and Transformation Program is essential for getting through the industry's challenging cycle, guaranteeing competitiveness and sustainability.

On to the next one.

I will then comment on the company's strategic direction for the next five-year cycle and the outlook for the petrochemicals scenario.

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Every year, the company draws up its business plan with a five-year horizon- through a regular process with a structured timetable and the involvement of various areas of the company. Discussions related to strategic direction typically take place during the second half of the year, where we revisit our vision for the next five years, taking into account changes in the global scenario, trends and fundamentals in the energy and petrochemicals industry.

For this cycle, between May and July, we kicked off by drawing up future scenarios for the petrochemical industry. In August and September, after a detailed discussion, the macroeconomic and petrochemical scenarios were validated with the leadership.

In October, we refined the market, operational and financial projections based on these validations and in December, we will consolidate the strategic direction for approval by the Board of Directors.

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When we look at the global scenario in 2025 (two thousand and twenty-five), what stands out most is the high level of uncertainty and volatility. This movement has been driven mainly by trade tensions between the United States and China, which have escalated throughout the year.

These tensions are accompanied by a series of factors that are likely to continue over the next few years, such as more fragmented global chains, increasingly protectionist industrial policies and changes in investment flows, which directly affect international competitiveness.

Even with interest rate cuts, the risk of a global economic slowdown is still present. When we look at GDP projections, the consensus is for growth similar to the start of the decade, but limited by the uncertainties of the trade war.

This means that we are facing a scenario in which globalization is weakening and protectionism is advancing. The main impacts of this scenario are: uncertainty about the stability of global economic growth and profound transformations in the dynamics of international trade, with additional risks of disruption in global supply chains.

This is the macroeconomic backdrop that we are taking into account in our strategic discussions for the 2026 to 2030 cycle.

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The current scenario combines two factors that put pressure on the petrochemical industry, which are lower oil prices and subdued global demand. This configuration tends to reduce resin prices on the international market, as the marginal producer's cost falls and there is not enough demand to sustain the price of resin on the international market.



Even with relatively stable spreads for the marginal producer (base-naphtha), lower oil prices and consequently naphtha and resins on the international market could be unfavorable for base-gas producers, as is the case in Mexico, depending on the magnitude of the drop in naphtha prices, if gas prices remain stable.

In 2025, the price of oil on the international market was intensified by the trade war between the United States and China, which brought uncertainty and reduced expectations of growth and global energy consumption. In addition, there was a significant increase in oil production, especially by OPEC+, which gradually resumed its supply, contributing to adjustments in global supply and putting pressure on resin price benchmarks.

In this scenario, realized oil prices this year were lower than expected when compared to the assumption made in the company's 2025-29 business plan, as well as most of the market. This difference has resulted in a challenging environment for the petrochemical industry, with direct impacts on competitiveness and profitability.

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In the company's internal discussions, supported by external consultants, it was concluded that the dynamics of the petrochemical industry will remain structurally challenging until at least 2030, with China leading investments to achieve self-sufficiency

These investments, combined with the growth in demand impacted by the macroeconomic uncertainties mentioned above, contributed to the continued imbalance between supply and demand, putting pressure on overall operating rates, which should remain at historically low levels, even with moderate growth in demand.

Given current expectations about the rationalization scenario, it is expected that the sector will begin to recover towards the end of the decade.

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Finally, when we look at the outlook for petrochemical spreads until 2030, the scenario is structurally challenging. Considering global trends and industry dynamics, the prolonged downward cycle is expected to last until the end of the decade, with a modest recovery after 2029.

This behavior reflects the structural excess of supply, combined with moderate growth in demand, which has kept international spreads below the historical average for a prolonged period.

This reality reinforces the importance of the initiatives we presented in previous chapters, aimed at resilience and transformation, as well as the need for increasingly assertive commercial and operational strategies.



With this, we end this chapter by emphasizing that, in the face of a challenging global environment and pressured margins, Braskem's strategic advances will be essential to ensure competitiveness, sustainability and value generation.

I would like to close the presentation by reinforcing the Company's priorities for 2025 on the next slide.

We will continue to make progress with the initiatives to transform our assets.

This front of the resilience and transformation plan is strategic if we are to continuously increase the competitiveness, efficiency and sustainability of our business. Making Braskem better prepared to face the adversities of the global petrochemical scenario and guaranteeing its perpetuity.

In order to guarantee the continued progress of the transformation, it is essential that the company continues to identify and implement resilience measures.

These actions are fundamental to mitigating the impacts of the cycle on the company's results and cash flow, strengthening the competitiveness of our business throughout this prolonged downturn.

Braskem reaffirms its commitment to the competitiveness of the Brazilian chemical industry. Together with associations, clients, suppliers and society, it will continue to promote initiatives that guarantee a level playing field and fair competitiveness for Brazilian industry, making a consistent contribution to the sector's development.

In addition, the company maintains its commitment to the agreements signed in Maceió, conducting each stage with transparency, responsibility and respect for all parties involved.

Finally, it is essential to emphasize that all our priorities will be carried out while maintaining our commitment to safety in our operations. Safety is, and will continue to be, a perpetual and non-negotiable value in Braskem's strategy, guiding every action and decision the company makes.

This concludes the presentation of Braskem's results for the third quarter of 2025.

**Operator:** Excuse me, ladies and gentlemen. Now, I would like to invite the Company to continue the conference. Please continue.

**Roberto Ramos:** Good afternoon, everyone. This is Roberto Ramos, President of Braskem.

Before we begin the Q&A session, I'd like to highlight some aspects from the presentation, in addition to some updates about the financial and economic alternatives for our capital structure, which are currently in effect, in assistance from our external consultants, as we announced in September 25.



That work in developing our strategy for the 2026-2030 cycle began in August and have now been finished by the Administrative Board, we've made some significant conclusions about the Company's mid and long-term outlooks.

We have ascertained that the perspective for the local and international petrochemical industry have suffered a significant negative impact for a number of reasons. Because China will continue to make significant expansions in its ethylene, propylene, and polypropylene chains using different feedstocks and solutions. Also because in the Middle East there are similar movements.

This movement by the Chinese government will have a significant impact on the global scenario with over 40 new crackers increasing production by 70 or 100 million tons, respectively. This will have a significant effect as well on the different petrochemical plants' idle capacities. This, combined with the very timid rationalization in the petrochemical industry, updates our idle projections, we project a significant gap between supply and demand up until at least the turning of the decade.

As such, the Company's and the petrochemical industry's mid and long-term outlooks must be updated. And so, this leads to our strategic planning project. So in September, the Company announced the contracting of external consultants to investigate a healthier capital structure, and this is given the projection that the downward cycle is going to be longer than we expected. Since then, we have been updating our mid and long-term strategies and outlooks. This is made even more challenging by the 2025-26 cycle.

Any potential change about the path forward must consider these projections. As always, the Company will keep its investors and the market as a whole duly informed about all material developments and conclusions about the topic.

Lastly, please note that in spite of any negative outlooks or projections, Braskem continues to move forward with its resiliency project, which was approved by its shareholders in 2025 and focuses on increasing global competitiveness around the world.

As such, I'd like to highlight some initiatives linked to value generation for various stakeholders, emphasizing on maximizing EBITDA and cash generation, which were announced recently by Rosana:

- 1) Defense of competitiveness for the Brazilian industry by maintaining the 20 % import rate for various feedstocks;
- 2) Approving various anti-dumping laws and rights with regard to the US and Canada, and also with regard to PVC in the US;
- 3) Approval in the Chamber of Deputies of a bill here, PL892/2025, which sets forth rules about the REIQ and PRESIQ, which is now going to the Brazilian Senate for approval;
- 4) Next, the hibernation of the chlor-alkali plant in September 25 with the goal of making PVC production in Alagoas more competitive and sustainable by importing EDC. This feedstock makes our PVC plant more competitive. And also approving the Transforma



Rio project, which will make Braskem more competitive by using gas in its feedstock matrix to produce polyethylene;

5) And next, operating improvements which have been generated by over 700 initiatives in 79 different action plans, which include the use of inventories linked to CAPEX, producing resin with higher added-value, reducing downtime in plants due to upgrades – which is something that used to hurt us –, improving our use of feedstocks and inputs, and also the use of fiscal incentives and credits.

So that being said, I will now begin to answer our listeners' questions. Thank you.

### **Question-and-Answer Session**

**Rosana Avolio:** Thank you, Robert. I'll start with the questions that we receive on the chat. And there is a question some convergence in some points, so I'm going to answer some individual questions and then I'm going to answer the questions that are grouped in terms of content.

Starting with **Vicente, with Bradesco**. Vicente asked two questions, the first one, he makes some comments as follows: *“Lots have happened since the last call and Braskem hired financial assessors to help them in the restructuring. When are we going to have a decision on this? And does the Company consider injecting equity now that Alagoa's case seems to be completed?”*

And Vicente also asked us: *“Resin volumes were very weak in this quarter. What was the main economic driver? What can we expect for the quarters to come?”*

**Felipe Jens:** Thank you, Rosana, and thank you, Vicente, for the question. I'll field the first one and Rosana will handle your second question. With regard to hiring the advisors, as you can imagine, this is something that comes up rather often. It's an important decision of the Company, which was actually a Material Fact that was announced to the market in September. And what we can state right now is what Roberto has just read when he opened the Q&A session.

Vis-à-vis any decision pertaining to whatever route we will move forward is still subject to the completion of this diagnostic, and especially with the necessary adaptations by the Company's Board. At this moment these discussions are already being elaborated on, the results as well so that we can, as we mentioned previously, develop in conjunction with the Company's main stakeholders, something that will effectively reorganize Braskem's capital structure. At the present moment, no options are discarded or confirmed. Everything is open.

Rosana?

**Rosana Avolio:** Yes, of course. Thank you for the question. You know the Company quite well. On a quarterly basis, we see some dynamics of seasonability. And in the historic seasonability, the 3Q tends to be the best period because it anticipates the end of year celebrations and the formation of inventory levels.

It was different this year, however. If we consider 2025 compared to 2024, if we consider the demand growth of resins, we do not see a growth posted in this line. We see that the demand of resins, the demand of plastic, is strongly associated with the Brazilian GDP. When we talk about PE and PP, we can see that there is a drop of about 4% for the next months. For the year to come, we see a recovery of about 3%, but without any doubt, there was a drop when compared to last year.

PVC, because of the sanitation law, we have seen a very important demand from sectors of tubes and the civil construction that is a result from the sanitation law. So we expect a 3% growth for this year. Just as we saw in the 3Q, when we compare it to the previous quarter, we saw a 3% growth, and for the next year we expect a growth of 3% based on the sanitation law.

And a general comment I would like to make. We have seen from the global viewpoint a very weakened demand, or I would even say an uncertain demand due to tariff war that we have seen along the year of 2025.

I'm going to answer the next question by **Gabriel, with Citi**. This is his question: *"In relation to Transforma Rio project, could you provide us the timeline of the investment, and the impact expected on the EBITDA of the Company? In addition, could you talk about the funding of the project? Could Petrobras take part in the funding of the project? And the second question is as follows: Could you provide an update on the PRESIQ and what are the discussions like in Brasilia? Is there a timeline to provide? What would be the potential impact for the Company?"*

**Felipe Jens:** All right, I'll begin with Transforma Rio and Roberto can talk about PRESIQ afterwards. So with regard to Transforma Rio, as Rosana presented now, we have a schedule, the project will begin its engineering phase right now, and this persists until the end of 28 or the beginning of 2029, at which point the project will be completed.

If we do some math to calculate the added value that this could bring to the Company's EBITDA and using a 220,000 tons installed capacity, as announced, and using an average from the spreads of the previous years, which is US\$860 per ton, this brings us to just under US\$200 million per year of additional BITDA that we will bring to the Company.

With regard to financing this project, which is extremely important, as was also announced in our Material Fact, there is a condition for this project to persist so that it can have the needed resources and funds so that it can proceed with the Company's cash flow.

So at this first stage, we use the funds that are already available for the Company from the REIQ and investments. This allows us to neutralize those impacts to our cash by the 1H26. And after that, the need to raise additional funds is already included in the context. So actually the first question that was asked with regard to restructuring the Company, this already includes this project.

Due to the nature of the project, very likely we were going to find funding sources, but this is not yet defined. It is still being discussed. It will be defined as soon as possible so that this project will not be delayed.

Roberto, could you talk about PRESIQ and our forecasts for next steps?

**Roberto Ramos:** Yes, of course. The project, as you know, was approved by the Chamber here in Brazil and was sent to the Senate. Abiquim and ourselves (as members of Abiquim, the Brazilian Chemical Industry) are pushing for this to be voted on with urgency so that it can be duly studied by the Industry and Trade Commission and then follow on in the Plenary session to actually be voted on.

We believe that if we manage to get it evaluated with urgency it can still be signed this year, maybe in November, or if not November then at least in December so that it will have an impact on the 2026 results.

It's very difficult to make projections about how quickly these bills go through, whether they're in the chamber or in the Senate, because political scenarios change every day. New scenarios produce the need for other discussions and other topics to be pushed forward. So it's very difficult for us to give any kind of forecast as to when we think this will happen. But it's our wish and our firm belief that this will be approved in 2025.

**Rosana Avolio:** Thank you, Roberto. Felipe. Now a question about Alagoas, about a recent announcement. We disclosed the Material Fact yesterday. Since there are many questions, I'm going to try to focus on the main points.

There's a request for more details about the agreement in Alagoas, especially in relation to the schedule of payment expected. And there's a question if there is flexibility of the amounts considering each payment individually.

**Felipe Jens:** Thanks for the question. The state of Alagoas, as we mentioned in the Material Fact, signed with Braskem this agreement, it now needs to once again go through the legal approval by the public sector. This is a R\$1.2 billion, of which R\$139 million have already been paid by Braskem. So the remaining balance – and this is a very important topic in the negotiations by both parties, or all parties –, with regard to Braskem's present financial condition, was established so that this agreement would be paid over a 10-year period. And so that's our Material Fact, and the initial installments up until 2030, do respect the Company's projected financial condition, which is a result of the entire tightening of the whole global petrochemical cycle, and Braskem is tied to it, and after that period, these factors become even more material and move to make Braskem's financial condition recover, as Rosana mentioned in the beginning of your

call, and that includes the transformation, Switch To Gas, Fly Up To Green, and all of our green projects in a context with more rational balance between supply and demand for the global petrochemical sector.

**Rosana Avolio:** Thank you, Felipe. Moving on along the same lines, there's a question by **Gustavo, with BTG**, which is consistent with what you've just mentioned: *"In a scenario of a possible change of control in the pillar of transformation, what do you believe to be non-negotiable to sustain the long-term cases? So, there is the green agenda. The second question, what is material in terms of hibernation of capacity in Europe and in Asia, and how does it compare to the scenarios announced in the past? As the Company sees it, the rationalization tends to be relevant within 2 years? And last, in relation to Braskem Idesa, with the ethane terminal in operation, what's the capacity that you would consider to be normalized for Braskem Idesa, and how long this asset is likely to start contributing again for reducing the consolidated leverage level?"*

**Felipe Jens:** Of course. Thank you, Rosana, and thank you, Gustavo. The answer to the first question is contained right in the question. It's, in fact, what the Company believes it has as far as ability to add value to all its stakeholders, that is continuing with the transformation plan, our migration to gas, our focus on competitive assets and the green agenda, or what we call here in-house as Fly Up To Green.

If a new potential shareholder has a different view, it's difficult to answer that because if we already had that view, we would certainly be implementing it right now. So it really will depend on what such a question would be, if and when such a new shareholder would be. With regard to our strategic plan, this is what we've been working on throughout 2025.

With regard to the perspectives of closing or hibernating in Europe, that depends on rationalization and our rationalization strategy. What we've been seeing is that rationalization has been lower than what we initially projected. We know this from our own experience. We announced recently the hibernation of chlor-alkali, this is a decision that was made in the beginning of the year and was only implemented in September.

So these decisions all take significant time to implement with all the due care and precautions that are needed so that they can actually happen in the most sustainable and rational and also productive possible ways for the Company.

Roberto?

**Roberto Ramos:** I have two points. First, our strategic plan was approved by our Board of Administrators, which there's a significant stake by Petrobras there so Petrobras is certainly aligned with our vision and I'm sure that Petrobras will continue to have that same vision regardless of whatever new shareholder comes in, if that happens.

And again, this needs to be approved by all shareholders. We never do anything different from what is approved by the shareholders. So this new shareholder, if and when



someone arrives, they will need to get involved in discussions with all shareholders, as always.

With regard to Europe, what we are seeing in Europe is announced shutting down of units and refineries. One of the biggest petrochemical Company's in the world, which has units in England and the Netherlands, has closed dozens of refineries in the previous years. The president of a large European petrochemical Company announced the closure of 12 million tons of capacity of ethylene production in Europe if they do not obtain the necessary protection measures, that includes either anti-dumping or tariffs, to prevent the arrival of products, especially from China, that come into Europe.

That also includes US products that arrive in Europe without any import tariffs.

Now, that being said, Europe is strategically long in propylene. Now, our polypropylene plants use propylene as a feedstock. So it's really about finding the needed logistics. So if we need to replace any current suppliers, we'll do that, but the propylene molecule, which is important for us, will continue to exist, so it will just be a matter of plugging the right numbers into the equation.

**Rosana Avolio:** Thank you, Roberto. In relation to ethane terminal, only to provide the context, today we have Braskem Idesa solution for the import of 80,000 barrels per day. Braskem Idesa to run the total capacity would require 66 barrels per day and therefore the total focus of Braskem team is to run full capacity. So an operation rate above 90% that in our industry is extremely high, that would be the focus. From the startup of the terminal, we have had operating results very positive, all in line with what was expected.

And when you made a comment about the consistent way of reducing the consolidated leverage, it's good to remember that Braskem Idesa, since when we developed this project, it was devised by means of Limited Recourse. At the time, all the bonds, all the debts have no collateral by Braskem, Braskem as a controller of the asset. So, every time we are announcing our cash position, our debt, coverage and the consolidated leverage we do not consider the cash position or EBITDA or the debt of Braskem Idesa.

The way it's going to contribute to the future is when there will be dividend payments. In fact, since the start of the plan in 2016, considering everything that we went through, you know, the reduction of ethane supply, the renegotiation of ethane contract, so there is a limitation of the availability of ethane in Mexico, and this is why we made this investment. So we received dividends only once in the past 10 years.

So the total focus of the team is to increase the operating rate, increase the sales volume, focus on the Mexican market. This was the first purpose when the project was devised, which is to meet the demands of the Mexican market. And as there is a more balanced capital structure, we will consider the contribution for Braskem.

**Roberto Ramos:** And Rosana, Gustavo also asked about China and whether the movements in China tend to have an impact on the market. I believe Rosana already mentioned this in her presentation, we are looking at an increase in 20 to 30 million tons

of additional capacity in China over the next 5 years, essentially resulting from crackers, whether they are gas-based or Nafta-based, and also whether they are carbon-based, believe it or not, and even gas for olefins and methanol for olefins plants.

So these are 4 different types of feedstocks that China is coordinating in its search for self-sufficiency with regard to PE consumption. And it's always very difficult to understand the scale of this shift, but this means that China's trend is, just as it is in polypropylene, to be a net importer of polyethylene. Today it is currently an importer of polypropylene, but it will become self-sufficient after some time, and it will become a net exporter of polyethylene as well.

This is the baseline scenario for us and it's a scenario that leads us to conclude that this downward cycle will extend for many years.

**Rosana Avolio:** Thank you, Roberto. Another question by **Joaquin, with Moneda**, he asks about the context of Transforma Rio context that has been recently announced by the Company. The question is: *"Have we signed a long-term contract with Petrobras to supply ethane, or would that depend on the construction of the project?"*

**Felipe Jens:** Thanks for the question. Yes, as we mentioned in the material fact, Braskem's Board approved the terms of the negotiation between Petrobras and Braskem for ethane supply. But this contract has not yet been signed. It is still subject to being concluded. This has not yet occurred. It is still currently in negotiations. And so, within the schedule that we announced recently, that Rosana announced recently, but we do not foresee any kind of change. The commercial conditions have already been agreed to officially. The only conditions that are still being discussed are secondary conditions that are not material to the contract.

**Rosana Avolio:** Thank you. Moving on, **Conrado, Banco Safra** asks the following: *"To whom you attribute the sequential improvement of the margin in Brazil? The focus that had better margin and better cost efficiency, or is there any special reason or a combination of all? Is it likely for the margin to continue improving?"*

Thank you Conrado, I'm going to answer your question. Let's consider the historical viewpoint. Brazilian business is very important for the Company. Without, we saw some improvement with an EBITDA margin of from 5% to 9%, but below what would be a historical margin for this business as a result of everything that we mentioned in this call. Capacity, the demand is weakened when compared to the historical level, especially 2010 and 2019, putting pressure on the petrochemical spread at the international level.

And this is where our resiliency program stands. So when you ask what the factors were, without a doubt, this is a combination of different factors. Without a doubt, we are always going to prioritize the supply of the Brazilian market, the South American market, but we have been going for grades whose value-added is higher for the Company.

In terms of cost reduction, we have made different renegotiations with our suppliers, and we've been ceasing to reduce logistics costs. And in addition, when considering the

EBITDA and the cash flow, we captured along the year nearly US\$100 million, as the numbers presented in the presentation, and that was driven by the optimization of inventory levels. And when the spread, which is the main contributor to the result of any petrochemical industry, when it stands at a level which historically low, the Company has to operate in such a way to mitigate this impact partially of this downward turn. And this is something we are going to continue doing, we are going to continue communicating.

**Roberto Ramos:** I just wanted to add one thing with regard to when Braskem was created, 20 years ago, the major difference with regard to supply and demand is that at the time, the European petrochemical industry was very important, it was actually the largest in the world, and it gradually lost competitiveness and has been replaced by the petrochemical industry that is being created in China and that already existed in the Middle East and was expanded.

The consequences are that the new petrochemical industries that were created – and also within Japan and Korea, but to a lesser extent –, but China and Middle East react much more quickly to requests for higher demand than the European industry did. As a result, the high and low cycles are going to be less steep and longer. And as a result of that, the petrochemical industry must adjust its processes, reduce its costs, so that it can co-exist with a new reality for the future, where the EBITDA margins are not going to be exuberant, they were before, 20% or more.

These margins are going to be more contained, closer to the refinery margins, and so, we need to reinvent the way we operate petrochemical plants, for example, by reducing the impact of labor, increasing automation, using artificial intelligence tools to make the plant respond automatically to certain requests. All of this will reduce direct cost and fixed cost.

This movement is an intrinsic part of our resiliency plan. We've had results in 2025; we're going to capture even more of them in 2026. This is inexorable, It's a new reality in the petrochemical industry, and everyone is going to need to adapt to this new way of doing business.

**Rosana Avolio:** Thank you, Roberto. I'm going to read a question that we received from different people participating in this call in relation to the possible sale of Novonor and the change of control, bringing the name of IG4 as a result of what we've seen in the media.

So there is a question asking if we have any type of timeline to complete the discussion, especially in the case of IG4.

**Roberto Ramos:** I would really love to be able to give you that answer. Unfortunately, I can't. As we've been saying repeatedly, we are not party to that negotiation. The information we receive from Novonor, everything we receive, we immediately convey to the market through material facts, and we are not aware of any topics and any progress that leads to an imminent decision with regard to the sale of Novonor shares.

So we remain waiting, just as the market as a whole is waiting. Of course, it's a topic that is of interest to us, it's of interest to everyone, but we are not even side players, we are merely spectators. Sure, we may be in the first row, but we are spectators, nonetheless.

**Rosana Avolio:** Thank you, Roberto. There's a question of **Anne, with Bank of America**, in relation to our transformation in Alagoas: *"Can you provide more information about Braskem chloroethylene vinyl transformation plant? And we would like to understand a little bit more about Olin."*

And she asks if we saw the press release that was published by Olin, and she would like to understand how this relationship is going to play out. So, at the end of the day, is how Transforma Alagoas will perform in general.

**Roberto Ramos:** Well, what does this transformation bring us? Our chloroethane process is based on electrolysis used with salt. This is something that's been in effect since we opened in 2021. It was a brine transformation, and this actually didn't generate value, it produced EDC at a cost that was harmful to the PVC plant. The PVC plant carried the cost of the lack of competitiveness from the chlor-alkali plant. This is a plant that dated from the 1970s and whose technology had already lost its competitiveness.

And especially guided by the fact that we needed to bring salt, gem rock salt, halite, which is different from sea salt from Chile, so this halite came all the way down south through the coast of Chile, through the Magalhães Strait, and then north all the way up through the Brazilian coast. So the logistics cost was actually just as high as, if not even higher, than the halite itself. So this was something that could only work if the product, the polyethylene prices, were high... sorry, not polyethylene, he corrects himself, PVC, but if the costs were sufficient.

So replacing EDC manufactured in Alagoas with a non-competitive plants, such as EDC imported from the US made using ethane resulting from shale gas, therefore an appreciable comparative advantage. And it was transported using efficient cabotage to our Alagoas plant. This makes the work of the PVC plant more competitive than it was before. And we were actually often forced to reduce the output of the PVC plant to stop losing money. Now, with this change, we can run our PVC plant at its maximum capacity, we can even apply some improvements that will improve it by 25, maybe 30 tons per year, and it will also lead us to produce more material in a shorter amount of time.

This is all based on the fact that it is going to be produced, the PVC is going to be produced from more efficient feedstocks. In addition, In a partnership that we have signed, we are burning *cavaco*, which is a renewable feedstock. This makes our PVC increasingly more and more green. This is going to improve the results for our sales as well.

With regard to the press release from Olin, I apologize, I haven't read it.

**Rosana Avolio:** As we mentioned previously, when we were mentioning Transforma Rio, any change, any project requires a feedstock contract in order to maintain operational

stability. With the change explained by Roberto, the answer is yes, we have an agreement for the supply of feedstock and it's a long-term contract.

Moving on, we have some questions by **Regis** about PRESIQ. The question is repeated sometimes. So it's in relation to PRESIQ: *"PRESIQ seems to be an important and necessary program in order to control the cash burn of the Company. What are the expected impacts of PRESIQ?"*

**Felipe Jens:** Thanks for the question. This is a material fact for the Company. It deals with our resiliency and transformation plan. So I'll answer in two sections. With regard to the year 2026, during which REIQ will still be in effect, and two REIQs, the investment and feedstock REIQs. Now, the investment REIQ has no change from what is currently in effect. This is a fiscal benefit, a 1.5% benefit we have based on PIS and COFINS that Braskem pays, as we mentioned previously. This is something we use as our funding for the Transforma Rio project and other projects of the Company.

And the second is the feedstocks REIQ, which today is 0.7. As of 2026, as Roberto mentioned, once this is approved by the President, this will move to 6.25 from the current 0.7. So this will mean something in the order of US\$280 to 300 million of EBITDA in the year 2026. Starting as of 2027 up until 2031, which is currently in PRESIQ, it has a yearly budget for the petrochemical industry, and of course Braskem is part of that, of R\$3 billion per year, out of which R\$2.5 billion will be the so-called PRESIQ feedstocks and another 500 million for PRESIQ investments.

So this is what we are currently working on with our projections, and we currently await that signature as quickly as possible. We hope that it will be approved by the Senate firstly and then by the President.

**Roberto Ramos:** Just a reminder, this sum is for the whole industry. The US\$3 billion that Felipe mentioned, US\$3 billion per year, this sum is the grant that is being given to the industry as a whole. We imagine that Braskem will receive something in the order of 50% of that sum.

**Rosana Avolio:** Thank you, Roberto. And to wrap up, due to time limits, we have last questions. And the remaining questions will be answered later. The question is about our projections. So there's a comment about our spread's projections, chemicals and petrochemical spreads. Why would make us so confident to believe that the cycle would continue below of the historical levels in the next 5 years? And they believe that external consulting services has a weak track record to estimate what would be the spreads for the future. And what they usually do is to extrapolate what's happening at the moment.

So I'm going to talk about our planning process at the conceptual level and how we carry out the mitigation. But before that, I would like to say that the downward cycle has been different from the other ones. So when we discuss the track record and the weakness and the weaknesses of external consulting services, this is the environment we have been experiencing since 2019. So we have seen a weakened demand when compared to the global GDP of 2010 to 2019, which was different from what we saw since 2019.

As a reminder, the demand for plastic is very connected to the global GDP. The higher the global GDP, the higher the consumption of plastic. So whenever there's a drop in plastic, even though it's been growing, we see a drop of the global average GDP when compared to the previous decade.

In addition to that, there's a very important difference to consider. China, with the driver for new capacities, they are very based on self-sufficiency to meet their own demands. And this is what we have seen. And this is aligned with the external consultancies. And this has created a very major oversupply. And this is something we showed in the results definition.

And there is a backlog, and there is a backlog before offer and demand. And the backlog is really huge. And when I look into the future, we'll still see capacity coming in, especially in China, in its search for self-sufficiency. When we defined our projections, this is what we considered.

By the way, this is an approval process which is still going on. And this is a process which will end at the end of the year with the approval by the Board, as we have mentioned in this results presentation.

So for us to define the projections, scenarios, we can consider different probabilities in different scenarios. We do not work with one case only; we incorporate different probabilities when we define the assumptions. And without any doubt, in our base case we have been more conservative or even more realistic, realistic would be a better word, when we do the rationalization because that could accelerate or could provide a better support, better spread for the future.

But as we mentioned in this call, it's very difficult to estimate other people's decision. So there are external consultancies that provide the cash cost of all producers in the world. But we do not have the disclosure of any agreement between suppliers and clients. So the decision of investment to close a plant is not a decision based only on cash cost. It starts from cash cost, but there is a definition at play, agreement, what's the best moment to make the decision for the rationalization.

So again, in the past 5 or 6 years, there was a different downward turn from the previous years, and there's this player that is going to include capacity up to 2030. So we consider the probability plus the definition of the assumption. And again, we were very realistic, more than what we have been observing.

**Roberto Ramos:** Just to mention something else about the topic of rationalization. We have some perspectives for reduction, some have been announced, others not yet, but there's a significant reduction in South Korea, which should reach maybe even 4 billion tons in China, The Chinese capitalist process encourages creation of various industries and allows those industries to fight for space. And then once some time has elapsed, the winners remain, and the Chinese government rationalizes the winners and losers.



Of course, they have a lot of capacity spinning up and of course there's going to be rationalization. And the biggest losers are Europe. Europe has 12 million tons of ethylene production that is currently at risk. Structurally, Europe's problem is much more serious because not only do they not have the feedstocks, they don't have the ethane, they don't have the oil. So they import oil. Yes, they refine it, but they import oil and they import ethane and their energy cost is also very high as a result of the war between Russia and Ukraine, which has shut down the supply of cheap Russian gas to Europe, and especially to Germany.

So with the energy cost in Europe which is currently almost 3x as high as it was before Ukraine was invaded, and also considering that the petrochemical industry is highly energy intensive combined with the fact that Europe doesn't produce any of these feedstocks, not even Nafta, because they don't have oil or gas, because they don't have oil reserves – now of course I'm not considering Russia –, this means that Europe's petrochemical industry is moving forward toward a state of deindustrialization, of total inexistence. And we have a significant amount of production capacity that is at risk during this sunset perspective.

**Rosana Avolio:** Thank you, Roberto. Due to time limitations. the other questions we will be answered later. So we'd like to thank everyone for attending this call to discuss the results of the 3Q25. And I'll see you next time for our next call. Thank you!

**Roberto Ramos:** Thank you.

**Operator:** This concludes Braskem's conference call. Thank you all for joining us and have a great afternoon.