

Non-binding English convenience translation

**Mandatory publication pursuant to sec. 27 para. 3 sent. 1 and sec. 14 para. 3 sent. 1 of the
German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und
Übernahmegesetz, WpÜG*)**

**Joint Reasoned Statement
of the Management Board and the Supervisory Board**

of

Covestro AG

Kaiser-Wilhelm-Allee 60
51373 Leverkusen
Germany

on

**the voluntary public takeover offer
(cash offer pursuant to sec. 29 of the German Securities Acquisition and Takeover
Act)**

by

ADNOC International Germany Holding AG

Westendstraße 28
60325 Frankfurt am Main
Germany

to the shareholders of

Covestro AG

Covestro Shares: ISIN DE0006062144
Tendered Covestro Shares: ISIN DE000A40KY26

Table of Contents

	Page
1 GENERAL INFORMATION ABOUT THIS REASONED STATEMENT	3
1.1 Legal basis of this Reasoned Statement	3
1.2 Factual basis of this Reasoned Statement	4
1.3 Publication of this Reasoned Statement and of additional reasoned statements regarding amendments to the Offer	4
1.4 Statement of the works council	5
1.5 Own responsibility of Covestro Shareholders	5
2 INFORMATION ON THE COMPANY AND THE COVESTRO GROUP	6
2.1 Legal basis of the Company	6
2.2 Overview of the persons acting jointly with Covestro	6
2.3 Capital structure of the Company	6
2.4 Shareholder Structure	7
2.5 Overview of the business activities of Covestro Group	7
2.6 Members of the Management Board and the Supervisory Board of Covestro	9
3 INFORMATION ON THE BIDDER	9
3.1 Legal basis of the Bidder	9
3.2 Governing bodies of the Bidder	10
3.3 Shareholder structure	10
3.4 Information on ADNOC International	11
3.5 Management of ADNOC International	11
3.6 Persons acting jointly with the Bidder	11
3.7 Covestro Shares currently held by the Bidder or by persons acting jointly with the Bidder and their subsidiaries; attribution of voting rights	12
3.8 Information on securities acquisitions	12
3.9 Possible parallel acquisitions	13
4 INFORMATION ABOUT THE OFFER	13
4.1 Relevance of the Offer Document	13
4.2 Implementation of the Offer	13
4.3 Subject of the Offer and Offer Price	13
4.4 Permission of BaFin to publish the Offer Document	14
4.5 Acceptance Period	14
4.6 Rights of withdrawal	15
4.7 Offer Conditions	15
4.8 Status of the merger control proceedings	16
4.9 Status of the foreign investment control proceedings	16
4.10 Status of the EU foreign subsidies control proceedings	17
4.11 Acceptance and settlement of the Offer	17
4.12 Financing of the Offer	18
5 TYPE AND AMOUNT OF THE CONSIDERATION	20
5.1 Type and amount of the consideration	20
5.2 Statutory minimum offer price	20
5.3 Assessment of the adequacy of the consideration	21

6	OBJECTIVES AND INTENTIONS PURSUED BY THE BIDDER AND THEIR ASSESSMENT BY THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD ...	36
6.1	Economic and strategic background of the Offer	37
6.2	Investment Agreement	37
6.3	Intentions of the Investor	39
6.4	Assessment of the Bidder's intentions and the prospective consequences for Covestro	47
7	CONSEQUENCES FOR THE COVESTRO SHAREHOLDERS	56
7.1	Possible consequences in case of an acceptance of the Offer	56
7.2	Possible consequences in case of a non-acceptance of the Offer	58
8	INTERESTS OF THE MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD	61
9	INTENTION TO ACCEPT THE OFFER	61
10	FINAL ASSESSMENT	62
	ANNEX 1 – SUBSIDIARIES OF COVESTRO	65
	ANNEX 2 – FAIRNESS OPINION OF GOLDMAN SACHS DATED 6 NOVEMBER 2024	67
	ANNEX 3 – FAIRNESS OPINION OF PERELLA WEINBERG DATED 6 NOVEMBER 2024	73
	ANNEX 4 – FAIRNESS OPINION OF MACQUARIE DATED 7 NOVEMBER 2024	78
	ANNEX 5 – FAIRNESS OPINION OF ROTHSCHILD & CO DATED 7 NOVEMBER 2024	84

1 General Information about this Reasoned Statement

On 25 October 2024, ADNOC International Germany Holding AG, a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Germany, having its registered seat in Munich and its business address at Westendstraße 28, 60325 Frankfurt am Main, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Munich under HRB 294070 ("**Bidder**"), launched, pursuant to secs. 34, 29 and 14 para. 2 sent. 1, para. 3 sent. 1 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz* – "**WpÜG**"), through the publication of the offer document within the meaning of sec. 11 WpÜG ("**Offer Document**"), a voluntary public takeover offer ("**Offer**" or "**Takeover Offer**") to all shareholders of Covestro AG, a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Germany, with its registered office in Leverkusen, Germany and its business address at Kaiser-Wilhelm-Allee 60, 51373 Leverkusen, Germany, registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Cologne under HRB 85281 ("**Covestro**" or "**Company**" and, together with its subsidiaries, "**Covestro Group**") ("**Transaction**"). The Bidder is an (indirect) wholly-owned subsidiary of ADNOC International Limited ("**ADNOC International**" and together with its subsidiaries, the "**ADNOC International Group**").

The Offer is addressed to all shareholders of the Company (each a "**Covestro Shareholder**" and collectively the "**Covestro Shareholders**") and relates to the acquisition of all no-par value bearer shares (*auf den Inhaber lautende Stückaktien*) in the Company that are not directly held by the Bidder (ISIN DE0006062144), each Covestro Share representing a proportionate amount of EUR 1.00 of Covestro's share capital, including all ancillary rights existing at the time of the settlement of the Offer, in particular the right to dividends (each a "**Covestro Share**" and together the "**Covestro Shares**"), against payment of a cash consideration of EUR 62.00 per Covestro Share.

The management board (*Vorstand*) of the Company ("**Management Board**") forwarded the Offer Document on 25 October 2024, and thus without undue delay (*unverzüglich*) after the transmission by the Bidder on 25 October 2024 pursuant to sec. 14 para. 4 sent. 1 WpÜG, to the supervisory board (*Aufsichtsrat*) of the Company ("**Supervisory Board**") and to the group works council (*Konzernbetriebsrat*) as the competent works council.

The Management Board and the Supervisory Board hereby submit the following joint reasoned statement within the meaning of sec. 27 para. 1 WpÜG regarding the Offer ("**Reasoned Statement**" or "**Statement**"). In connection with the Reasoned Statement within the meaning of sec. 27 WpÜG on the Offer, the Management Board and the Supervisory Board point out the following:

1.1 Legal basis of this Reasoned Statement

Pursuant to sec. 27 para. 1 sent. 1, para. 3 WpÜG, the Management Board and the Supervisory Board of the Company must, without undue delay (*unverzüglich*) after transmission of the Offer Document pursuant to sec. 14 para. 4 sentence 1 WpÜG, issue and publish a Reasoned Statement on the Takeover Offer and on each amendment to it pursuant to sec. 21 WpÜG.

According to sec. 27 para. 1 sent. 2 WpÜG, the Reasoned Statement must, in particular, deal with (i) the type and the amount of the consideration being offered, (ii) the expected consequences of a successful Offer for the Company, the employees and their representatives, the employment conditions, and the locations of the Company, (iii) the objectives pursued by the Bidder with the Offer, and (iv) the intention of the members of the

Management Board and the Supervisory Board to the extent that they are holders of securities of the Company, to accept the Offer.

The Reasoned Statement may be submitted jointly by the Management Board and the Supervisory Board. The Management Board and the Supervisory Board of the Company have decided to issue such joint Reasoned Statement regarding the Takeover Offer.

1.2 Factual basis of this Reasoned Statement

Except as otherwise stated, references to time in this Reasoned Statement are references to local time in Frankfurt am Main, Germany. To the extent that expressions such as “currently”, “at the present time”, “at the moment”, “now”, “at present” or “today” or similar terms are used in this Reasoned Statement, they refer, except as otherwise explicitly stated, to the date of publication of this Reasoned Statement.

References in this Reasoned Statement to a “**Banking Day**” or “**Business Day**” are to any day that is not (i) a Saturday or Sunday or (ii) a day on which banks in Düsseldorf, Frankfurt am Main, Abu Dhabi, New York City and/or London are not open for general customer traffic. References to a “**Trading Day**” refer to a day on which the stock exchange in Frankfurt am Main, Germany, is open for trading. References to “**EUR**” refer to the currency Euro. References to “**USD**” refer to the currency United States Dollar. References to “**subsidiaries**” refer to subsidiaries within the meaning of sec. 2 para. 6 WpÜG.

This Reasoned Statement includes forecasts, estimates, assessments, forward-looking statements and declarations of intent. Such statements are indicated by the use of expressions such as “expect”, “believe”, “is of the view”, “attempt”, “estimate”, “intend”, “plan”, “assume” and “endeavour”. Such statements, forecasts, estimates, assessments, forward-looking statements and declarations of intent are based on the information available to the Management Board and the Supervisory Board on the date of publication of this Reasoned Statement and reflect their estimates or intentions at that time. These statements may be amended following the publication of this Reasoned Statement. Assumptions may also turn out to be incorrect in the future. The Management Board and the Supervisory Board are under no obligation to update this Reasoned Statement unless such an updating is required by statutory provisions.

The information in this document regarding the Bidder and the Offer is based on information provided in the Offer Document and other publicly available information (except as explicitly stated otherwise). The Management Board and the Supervisory Board point out that they are not able to verify or to fully verify the information provided by the Bidder in the Offer Document nor to guarantee the implementation of the Bidder’s intentions.

1.3 Publication of this Reasoned Statement and of additional reasoned statements regarding amendments to the Offer

This Statement and any possible additions thereto as well as any statements regarding possible amendments to the Offer, will be published in accordance with sec. 27 para. 3 and sec. 14 para. 3 sent. 1 WpÜG at www.covestro.com; in addition, a corresponding link will be provided on the Company’s website at www.covestro.com/de/investors under the section “News” (and under www.covestro.com/en/investors for the non-binding English translation). Copies of the Reasoned Statement are also available free of charge from Covestro AG, Investor Relations, Friedrich-Ebert-Straße 350, 51373 Leverkusen, Germany, phone +49 214 6009 2816 (inquiries by email to ir@covestro.com and stating a full postal address). The

publication and keeping available of copies free of charge will be announced in the Federal Gazette (*Bundesanzeiger*).

This Reasoned Statement and possible additions thereto as well as any additional reasoned statements regarding possible amendments to the Offer are or will be published in German and as a non-binding English translation. The Managing Board and the Supervisory Board assume no liability for the correctness and completeness of the English translation. Only the German version is authoritative.

1.4 Statement of the works council

Pursuant to sec. 27 para. 2 WpÜG, the competent works council of the Company may send a statement on the Offer to the Management Board, which the Management Board must, pursuant to sec. 27 para. 2 WpÜG, attach to its statement without prejudice to its obligation pursuant to sec. 27 para. 3 sent. 1 WpÜG. The competent group works council (*Konzernbetriebsrat*) of Covestro informed the Management Board that it will not issue an own statement.

1.5 Own responsibility of Covestro Shareholders

The Management Board and the Supervisory Board point out that the description of the Bidder's Offer in this Reasoned Statement does not claim to be exhaustive and that, as for the content and settlement of the Takeover Offer, solely the provisions of the Offer Document are authoritative.

The Management Board and the Supervisory Board point out that the statements and assessments in this Reasoned Statement are not binding on Covestro Shareholders. Each Covestro Shareholder must make his or her own assessment whether to accept the Offer, and, if so, for how many Covestro Shares, taking into account the overall circumstances, his or her individual situation (including his personal tax situation) and his or her individual assessment of the future development of the value as well as the stock exchange price of Covestro Shares.

When deciding whether to accept the offer, Covestro Shareholders should use all available sources of information and take sufficient account of their personal circumstances. In particular, the specific financial or tax situation of individual Covestro Shareholders may in individual cases lead to assessments that differ from those presented by the Management Board and the Supervisory Board. The Management Board and the Supervisory Board therefore recommend that Covestro Shareholders obtain on their own responsibility independent tax and legal advice, if necessary, and assume no liability for the decision taken by a Covestro Shareholder in respect of the Offer.

Covestro Shareholders with residence, registered office, or habitual abode outside of Germany, particularly in the United States of America ("**United States**"), are referred to the Bidder's information in sec. 1.2 of the Offer Document. For holders of American Depositary Receipts ("**ADRs**"), sec. 13.9 of the Offer Document contains further information.

The Management Board and the Supervisory Board point out that they are not able to verify whether the Covestro Shareholders meet all the legal obligations applicable to them personally on acceptance of the Offer. The Management Board and the Supervisory Board recommend, in particular, that any Covestro Shareholder who receives the Offer Document or wishes to accept the Offer outside the Federal Republic of Germany but is subject to

securities laws of jurisdictions other than the Federal Republic of Germany should inform himself or herself about these laws and comply with them.

2 Information on the Company and the Covestro Group

2.1 Legal basis of the Company

Covestro is a stock corporation (*Aktiengesellschaft*) established under German law, with registered office in Leverkusen, Germany, registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Cologne under HRB 85281. The business address of Covestro is Kaiser-Wilhelm-Allee 60, 51373 Leverkusen, Germany.

The financial year of the Company corresponds to the calendar year.

Pursuant to sec. 2 of the articles of association of Covestro ("**Covestro Articles of Association**"), the purpose of Covestro is manufacturing, marketing and other industrial activities and the provision of services in the area of polymers and chemicals. Covestro is authorized to undertake all business that is related to, or directly or indirectly serves the purpose of the Company. Covestro may establish, acquire or take participating interests in other companies, in particular those whose purpose fully or partially covers the aforementioned area. The Company may bring companies in which it holds participating interests under its uniform control, or confine itself to the administration thereof. It may transfer their operations in full or in part to newly established or existing subsidiaries.

The Covestro Shares (WKN 606214 / ISIN DE0006062144) are admitted to trading on the regulated market (*Regulierter Markt*) with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange, where they are traded via the exchange electronic trading system ("**XETRA**") of Deutsche Börse AG, Frankfurt am Main, Germany. The Covestro Shares are included in the DAX, Germany's leading index. In addition, the Covestro Shares are traded on the over-the-counter market (*Freiverkehr*) of the stock exchanges in Berlin, Dusseldorf, Hamburg, Hanover, Munich and Stuttgart and via Tradegate Exchange.

In addition, ADRs issued in relation to Covestro Shares are traded on the OTC (*over-the-counter*) market in the United States under the symbol COVTY ("**Covestro ADRs**"). Two Covestro ADRs represent one Covestro Share. The rights of holders of Covestro ADRs are governed by the respective depositary agreement between the respective U.S. depositary bank and the respective holders of Covestro ADRs. At the end of the financial year 2023, the total number of outstanding Covestro ADRs amounted to 7.4 million.

2.2 Overview of the persons acting jointly with Covestro

The companies listed in **Annex 1** are direct or indirect subsidiaries of Covestro and are therefore deemed to be persons acting jointly with Covestro pursuant to sec. 2 para. 5 sent. 2 and sent. 3 in connection with sec. 2 para. 6 WpÜG.

Apart from these, there are no other persons acting jointly with Covestro within the meaning of sec. 2 para. 5 sent. 2 and sent. 3 WpÜG.

2.3 Capital structure of the Company

At the time of publication of this Statement, the share capital of Covestro amounts to EUR 189,000,000 and is divided into 189,000,000 no-par value bearer shares (*auf den Inhaber lautende Stückaktien*). There are no different classes of shares. Each Covestro

Share carries in general full voting and dividend rights. At the time of publication of this Statement, Covestro holds 259,670 treasury shares. This corresponds to a share of approx. 0.14% of Covestro's registered share capital.

Sec. 7.1 of the Offer Document summarises and accurately describes the existing authorised and conditional capital, the authorisation of the Management Board to acquire treasury shares, including the use of such authorisation, and the number of treasury shares held by the Company.

2.4 Shareholder Structure

The Company discloses on its website <https://www.covestro.com/de/investors/share-details/voting-rights-announcements> Covestro Shareholders who directly or indirectly hold 3% or more of the voting rights in Covestro or to whom 3% or more of the voting rights in Covestro are attributable, of which the Company is aware (see sec. 3.7 of this Statement for the current shareholding of the Bidder and persons acting jointly with it pursuant to sec. 2 para. 5 WpÜG). This information is based on the voting rights notifications pursuant to sec. 33 para. 1 of the German Securities Trading Act (*Wertpapierhandelsgesetz* – “WpHG”), which Covestro had received as of the date of publication of this Statement.

2.5 Overview of the business activities of Covestro Group

2.5.1 Business model

Covestro is one of the world's leading suppliers of high-performance polymer materials and the special and application solutions based on them. The Covestro portfolio includes, in its core business, intermediate products for polyurethane and the high-performance plastic polycarbonate, as well as precursors for engineering plastics, paints, coatings, adhesives and sealants, elastomers and speciality products such as films and custom-made urethanes. Outside of the core business, other precursors or by-products such as chlorine, hydrochloric acid, sodium hydroxide solution and styrene are also part of the Covestro product portfolio.

Covestro's materials are used in many areas of daily life. Covestro offers its customers innovative and sustainable solutions that enable performance improvements while also helping to reduce the environmental footprint and achieve a circular economy. The array of products ranges from insulation for refrigerators and entire buildings, laptop and smartphone cases, and medical technology to scratch-resistant and fast-drying vehicle coatings and film coverings for personal identification cards. In addition, materials by Covestro are used to manufacture medical equipment, safety barriers, and sneeze and splash guards. Covestro therefore serves a wide variety of sectors. The Company's main customers are in the automotive and transport industry, the construction industry, the furniture and wood processing industry, and the electrical, electronics and household appliance industry. The products are also used in sectors such as sports and leisure, health, as well as in the chemical industry itself.

2.5.2 Organisation

The Covestro Group is divided into the two reportable segments Performance Materials and Solutions & Specialties. While the Performance Materials segment forms one separate business unit, the Solutions & Specialties segment is divided into six business units. These are set up according to their respective success factors

and all business relevant operations along the value chain are incorporated into these units. By this, Covestro's business is ideally tailored to the requirements of the respective markets and aligned with the needs of its customers.

- **Performance Materials:** This segment comprises Covestro's business in standard urethane components, standard polycarbonates and base chemicals. The focus of this segment unit is delivering commodity products at competitive costs through process innovation. The standardised products from this segment are marketed externally and also sold internally to the Solutions & Specialties segment at arm's length conditions.
- **Solutions & Specialties:** This segment covers a broad range of specialty products and customer-specific solutions in the six business units of polycarbonate specialties (*Engineering Plastics*), precursors for coatings and adhesives (*Coatings & Adhesives*), polyurethane specialties and solutions (*Tailored Urethanes*), thermoplastic polyurethanes (*Thermoplastic Polyurethanes*), high-quality films (*Specialty Films*) and special-purpose elastomers (*Elastomers*). Here, the focus is on sophisticated products with a high degree of innovation, which Covestro combines with application technology services and customer-specific system solutions. Smart homes, medical technology, holography, materials for electric vehicles and wind turbines are only some of the applications.

2.5.3 Activities

Strategically, Covestro is focused on (i) transforming the Covestro Group to realise its full potential and thus create the basis for sustainable and profitable growth, (ii) driving sustainable growth by investing in long-term attractive and sustainable market segments that combine sustainability and profitability, and (iii) aligning the Covestro Group fully with the circular economy by accelerating the transformation to a climate-neutral and resource-conserving economy.

Geographically, Covestro primarily conducts research and development at three major centres in Germany, the United States and China. In addition, the Covestro Group operates in Mexico, Belgium, France, Italy, the Netherlands, Spain, the United Kingdom, India, Japan, Taiwan and Thailand. Covestro continuously invests in its global production network to maintain the production sites and their infrastructure, to optimize manufacturing processes, and expand capacities in line with market developments; key growth projects in 2023 included the new chlorine-alkali plant in Spain. Customer-oriented applications are generally developed in the respective regions, while global, fundamental research and technology development are mainly conducted in Germany.

As of 31 December 2023, Covestro Group had 17,520 employees calculated on a full time equivalents basis (FTE) and 572 employees in vocational training worldwide.

2.5.4 Financial Information

In the financial year 2023, the Covestro Group's revenues amounted to EUR 14,377 million (previous year: EUR 17,968 million), with an EBITDA of EUR 1,080 million (previous year: EUR 1,617 million). For the first nine months of the financial year ending on 31 December 2024, the Covestro Group reported revenues of

EUR 10,803 million (previous year: EUR 11,031 million) and an EBITDA of EUR 880 million (previous year: EUR 948 million).

2.6 Members of the Management Board and the Supervisory Board of Covestro

The Company's Management Board currently consists of four members, namely:

- Dr Markus Steilemann (Chief Executive Officer),
- Christian Baier (Chief Financial Officer),
- Dr Thorsten Dreier (Chief Technology Officer/Labor Director) and
- Sucheta Govil (Chief Commercial Officer).

Pursuant to sec. 8 para. 1 of the Covestro Articles of Association, the Supervisory Board consists of six members elected by the shareholders and six members elected by the employees. The election of the Supervisory Board members representing employees is governed by the German Co-Determination Act. The members of the Supervisory Board are currently:

- Dr Richard Pott (chairperson of the Supervisory Board, shareholder representative),
- Petra Kronen (deputy chairperson of the Supervisory Board, employee representative),
- Dr Christine Bortenlänger (shareholder representative),
- Dr Christoph Gürtler (employee representative),
- Oliver Heinrich (employee representative),
- Lise Kingo (shareholder representative),
- Irena Küstner (employee representative),
- Frank Löllgen (employee representative),
- Dr Sven Schneider (shareholder representative),
- Regine Stachelhaus (shareholder representative),
- Marc Stothfang (employee representative) and
- Patrick W. Thomas (shareholder representative).

3 Information on the Bidder

The Bidder has, unless otherwise specified, published the following information in the Offer Document. This information could not or could not fully be verified by the Management Board and the Supervisory Board. The Management Board and the Supervisory Board therefore assume no responsibility for its correctness.

3.1 Legal basis of the Bidder

Sec. 6.1 of the Offer Document contains the following information with regard to the legal basis of the Bidder:

The Bidder, ADNOC International Germany Holding AG, is a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Germany with statutory seat in Munich and registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Munich under HRB 294070. The business address of the Bidder is Westendstraße 28, 60325 Frankfurt am Main, Germany. The registered share capital of the Bidder amounts to EUR 50,000.00 and is divided into 50,000 no-par value registered shares (*Namensaktien*). The Bidder was incorporated on 17 June 2024 under the name Blitz 24-883 AG and changed its name to ADNOC International Germany Holding AG with effect from 18 July 2024.

According to sec. 6.1 of the Offer Document, the corporate purpose of the Bidder includes, inter alia, the acquisition and disposal as well as the holding and administration of participations in other companies. The Bidder is allowed to establish domestic or foreign branches.

The Bidder's financial year corresponds to the calendar year.

According to the Offer Document, the Bidder currently does not hold any shares in other companies and has no employees.

3.2 Governing bodies of the Bidder

The Bidder's management board currently consists of two members, namely:

- Nicolas Braas (member of the management board) and
- Sascha Gottschalk (member of the management board).

The Bidder's supervisory board currently consists of three members, namely:

- Hetal Patel (chairperson of the supervisory board),
- Thuraya Al Maskari (deputy chairperson of the supervisory board) and
- Artur Gieß (member of the supervisory board).

3.3 Shareholder structure

According to sec. 6.3 of the Offer Document, the following companies hold direct and indirect participations in the Bidder:

The sole direct shareholder of the Bidder is ADNOC International UK Limited, a private limited company incorporated under the laws of England and Wales with company number 15681982 with seat in Birmingham, England ("**ADNOC International UK**").

The sole shareholder of ADNOC International UK is ADNOC International, a limited liability company incorporated under the laws of the Emirate of Abu Dhabi, with seat in Abu Dhabi, United Arab Emirates (ADNOC International together with the Bidder, the "**Investor**").

The sole shareholder of ADNOC International is Abu Dhabi National Oil Company (ADNOC) P.J.S.C., a public joint stock company incorporated under the laws of the Emirate of Abu Dhabi, with seat in Abu Dhabi, United Arab Emirates ("**ADNOC**").

The sole shareholder of ADNOC is the Government of Abu Dhabi (together with ADNOC International UK, ADNOC International and ADNOC, the "**Bidder Parent Companies**").

3.4 Information on ADNOC International

According to sec. 6.4 of the Offer Document, ADNOC International was established in 2015 and is a wholly owned subsidiary of ADNOC. The company's objective is, inter alia, to invest internationally in, holding and managing upstream, midstream and downstream energy companies and assets inside and outside the Emirate of Abu Dhabi. The ADNOC International Group has already partnered with major energy industry players such as OCI, BP, SOCAR, TotalEnergies, ExxonMobil and NextDecade, among others, to develop and/or to manage energy-related assets in various sectors of the energy industry.

According to sec. 6.4 of the Offer Document, the profit of the ADNOC International Group, based on the consolidated financial statements and the consolidated income statement for the financial year ended 31 December 2023, which were prepared in accordance with the International Financial Reporting Standards (IFRS), amounted to USD 256 million (equivalent to approximately EUR 232 million at the exchange rate (interbank rate) of USD 1.00 : EUR 0.90595 on 31 December 2023 (source: www.oanda.com)).

3.5 Management of ADNOC International

According to sec. 6.5 of the Offer Document, the management of ADNOC International consists of the following members:

- Dr Sultan Ahmed Al Jaber (Chairperson of the Board),
- Khaled Salmeen (Director),
- Musabbeh Al Kaabi (Director),
- Khaled Al Zaabi (Director),
- Dr Abdulla Al Jarwan (Director),
- Omar Alsayed Sharaf (Director),
- Hanan Balalaa (Director), and
- Mohamed Saif Al Aryani (Chief Executive Officer).

3.6 Persons acting jointly with the Bidder

With regard to persons acting jointly with the Bidder, the Offer Document contains the following statements in sec. 6.6:

As parties to the Investment Agreement (as defined in sec. 6.2 of this Statement), ADNOC International and ADNOC are both persons acting jointly with the Bidder within the meaning of sec. 2 para. 5 sent. 1 WpÜG. Furthermore, the aforementioned companies as well as the other Bidder Parent Companies are persons acting jointly with the Bidder sec. 2 para. 5 sent. 3 WpÜG.

According to the Offer Document, the entities set forth in (i) Annex 1(a) to the Offer Document are persons acting jointly with the Bidder within the meaning of sec. 2 para. 5 sent. 3 WpÜG as subsidiaries of ADNOC and (ii) Annex 1(b) to the Offer Document are persons acting jointly with the Bidder within the meaning of sec. 2 para. 5 sent. 3 WpÜG as subsidiaries of ADNOC's sole shareholder.

Furthermore, according to sec. 6.6 of the Offer Document, there are no other persons acting jointly with the Bidder within the meaning of sec. 2 para. 5 sent. 1 and sent. 3 WpÜG.

3.7 Covestro Shares currently held by the Bidder or by persons acting jointly with the Bidder and their subsidiaries; attribution of voting rights

Pursuant to sec. 6.7 of the Offer Document, ADNOC International, a person acting jointly with the Bidder within the meaning of sec 2 para. 5 WpÜG, directly held 18,050,000 Covestro Shares (i.e., approx. 9.55% of the share capital and voting rights of Covestro) at the time of publication of the Offer Document. In addition, the Abu Dhabi Investment Authority ("**ADIA**"), which is also a person acting jointly with the Bidder within the meaning of sec. 2 para. 5 WpÜG, holds 305,897 Covestro Shares (i.e., approx. 0.16% of the share capital and voting rights in Covestro). The voting rights held by ADNOC International are (indirectly) attributed to the Government of Abu Dhabi pursuant to sec. 30, para. 1 sent. 1 no. 1, sent. 3 WpÜG via ADNOC. The voting rights held by ADIA are attributed to the Government of Abu Dhabi pursuant to sec. 30 para. 1 sent. 1 no. 1, sent. 3 WpÜG.

Apart from the foregoing, neither the Bidder nor persons acting jointly with the Bidder within the meaning of sec. 2 para. 5 WpÜG nor their subsidiaries held (i) Covestro Shares or corresponding voting rights in Covestro Shares and no voting rights arising from Covestro Shares were attributable to them pursuant to sec. 30 WpÜG, or (ii) directly or indirectly voting rights in relation to Covestro that are subject to the notification requirements pursuant to secs. 38 or 39 WpHG at the time of publication of the Offer Document.

3.8 Information on securities acquisitions

The Investor has undertaken in the Investment Agreement (as defined in sec. 6.2 of this Statement) to provide Covestro with additional funds in the amount of EUR 1,171,800,000 ("**Additional Equity Funding**"). The Additional Equity Funding is to be implemented by the Bidder subscribing for 18,900,000 new shares in Covestro ("**New Shares**") by means of a capital increase from the existing authorised capital of Covestro against cash contributions and simplified exclusion of the subscription right pursuant to sec. 186 para. 3 sent. 4 of the German Stock Corporation Act (*Aktiengesetz* – "**AktG**") ("**Capital Increase**"). The Capital Increase is intended to take effect in connection with the consummation of the Takeover Offer ("**Closing**") or shortly thereafter. The subscription price to be paid by the Bidder per New Share equals the Offer Price, i.e., EUR 62.00 or a corresponding higher amount in case the Offer Price is increased. The Additional Equity Funding and the Capital Increase are described in more detail in sec. 9.1.3 of the Offer Document and sec. 6.3.1(iii) of this Statement.

According to sec. 6.8 of the Offer Document, during the period of six months prior to the date of announcement of the Bidder's decision to launch the Offer pursuant to sec. 10 para. 1 sent. 1 WpÜG until the date of publication of the Offer Document, i.e., until 25 October 2024, (i) ADIA acquired in the period from (and including) 8 April 2024 to (and including) 11 September 2024, 146,173 Covestro Shares (i.e., approximately 0.08% of the share capital and voting rights of Covestro) on the stock exchange and (ii) ADNOC International acquired during the period from (and including) 1 October 2024 to (and including) 7 October 2024, 18,050,000 Covestro Shares (i.e., approximately 9.55% of the share capital and voting rights in Covestro) on the stock exchange. According to sec. 6.8 of the Offer Document, the highest consideration paid for Covestro Shares in this context was EUR 58.50 (rounded up).

Details of these purchases of Covestro Shares are provided in Annex 2 of the Offer Document.

Apart from the foregoing, according to the Offer Document, neither the Bidder nor the persons acting jointly with the Bidder within the meaning of sec. 2 para. 5 WpÜG or their

subsidiaries have acquired Covestro Shares or entered into agreements to acquire Covestro Shares within the last six months prior to publication of the decision of the Bidder to launch the Takeover Offer pursuant to sec. 10 para. 1 sent. 1 WpÜG on 1 October 2024 until publication of the Offer Document.

In the period between publication of the Offer Document, i.e., since 25 October 2024, and publication of this Statement, the Bidder has not published any announcements pursuant to sec. 23 para. 2 WpÜG regarding acquisitions of Covestro Shares after publication of the Offer Document.

3.9 Possible parallel acquisitions

According to sec. 6.9 of the Offer Document, during the Offer, the Bidder and the persons acting jointly with it within the meaning of sec. 2 para. 5 WpÜG reserve the right, within the limits of the law, to acquire, directly or indirectly additional Covestro Shares outside of the Offer on or off the stock exchange. Any such acquisitions or agreements will be made in compliance with applicable law.

To the extent that such acquisitions should occur, this would, according to the information provided by the Bidder in the Offer Document, be published in the Federal Gazette (*Bundesanzeiger*) and on the internet <https://www.covestro-offer.com>, stating the number and price of the Covestro Shares acquired in this manner, in accordance with the applicable statutory provisions, in particular sec. 23 para. 2 WpÜG in connection with sec. 14 para. 3 sent. 1 WpÜG. A non-binding English translation of the relevant information would also be available on the internet at <https://www.covestro-offer.com>.

4 Information about the Offer

4.1 Relevance of the Offer Document

The following is a description of selected information from the Bidder's Offer. For more information and details (in particular details regarding the offer conditions, acceptance periods, acceptance modalities and withdrawal rights), Covestro Shareholders are referred to the statements in the Offer Document. The information below merely summarises information included in the Offer Document. The Management Board and the Supervisory Board point out again that the description of the Offer in this Statement does not claim to be exhaustive and that, as for the content and settlement of the Offer, solely the provisions of the Offer Document are authoritative. It is therefore the responsibility of each Covestro Shareholder to read the Offer Document and to adopt the measures that are appropriate for such Shareholder.

4.2 Implementation of the Offer

The Takeover Offer relates to shares in a German company and is subject to the statutory provisions of the Federal Republic of Germany governing the implementation of such an offer.

The Management Board and the Supervisory Board have not undertaken any review of their own of the Offer's compliance with the relevant statutory provisions.

4.3 Subject of the Offer and Offer Price

Subject to the terms and conditions set forth in the Offer Document, the Bidder offers to all Covestro Shareholders to acquire all of their Covestro Shares not directly held by the Bidder

(ISIN DE0006062144), each Covestro Share representing a proportionate amount of EUR 1.00 of the share capital of Covestro, including all ancillary rights, in particular the right to dividends, existing at the time of the settlement of the Offer, against payment of a cash consideration in the amount of

EUR 62.00 per Covestro Share

(**“Offer Price”**).

The Offer only relates to Covestro Shares. Other securities relating to Covestro Shares are expressly not subject to this Takeover Offer. In particular, the Offer is not addressed to holders of Covestro ADRs. Holders of Covestro ADRs can only accept the Takeover Offer after exchanging their Covestro ADRs for Covestro Shares (for details see sec. 13.9 of the Offer Document).

4.4 Permission of BaFin to publish the Offer Document

According to sec. 1.4 of the Offer Document, the German Federal Financial Supervisory Authority (**“BaFin”**) has permitted the publication of the Offer Document on 24 October 2024. For further information, please refer to sec. 1.4 of the Offer Document.

4.5 Acceptance Period

4.5.1 Acceptance Period

The period for acceptance of the Offer according to sec. 5.1 of the Offer Document (including any extensions described in sec. 5.2 – for more details see below – **“Acceptance Period”**), began upon publication of the Offer Document on 25 October 2024 and ends on 27 November 2024, 24:00 hours (local time Frankfurt am Main, Germany) / 18:00 hours (local time New York City, United States). In the circumstances set out below, the period for acceptance of the Offer will in each case be extended automatically as follows according to sec. 5.2 of the Offer Document:

- In the event of an amendment to the Takeover Offer pursuant to sec. 21 WpÜG within the last two weeks before the expiry of the Acceptance Period, the Acceptance Period will be extended by two weeks (sec. 21 para. 5 WpÜG), i.e., it is then expected to end on 11 December 2024, 24:00 hrs (local time Frankfurt am Main, Germany) / 18:00 hrs (local time New York City, United States). This applies even if the amended Offer violates statutory provisions.
- If a competing offer is launched by a third party (**“Competing Offer”**) during the Acceptance Period of the Takeover Offer and if the Acceptance Period expires prior to the expiry of the Acceptance Period of the Competing Offer, the Acceptance Period shall be extended to correspond to the expiry of the Acceptance Period of the Competing Offer (sec. 22 para. 2 WpÜG). This applies even if the Competing Offer is amended or prohibited or violates statutory provisions.
- If a general meeting of Covestro is convened in connection with this Offer following publication of the Offer Document, the Acceptance Period will be extended to ten weeks beginning with publication of the Offer Document (sec. 16 para. 3 WpÜG), i.e., it is then expected to end on 3 January 2025,

24:00 hours (local time Frankfurt am Main, Germany) / 18:00 hours (local time New York City, United States).

4.5.2 Additional Acceptance Period

Covestro Shareholders who have not accepted the Offer within the Acceptance Period may, pursuant to sec. 16 para. 2 WpÜG, still accept the Offer within two weeks following publication of the results of the Offer by the Bidder pursuant to sec. 23 para. 1 sent. 1 no. 2 WpÜG ("**Additional Acceptance Period**"), provided that none of the offer conditions set out in sec. 12.1 of the Offer Document, including the minimum acceptance threshold (as described in sec. 4.7 below), have ultimately lapsed at the end of the Acceptance Period and such conditions have not been validly waived by the Bidder in advance. After the expiry of the Additional Acceptance Period, the Offer cannot be accepted anymore, unless put rights pursuant to sec. 39c WpÜG (see sec. 7.2 of this Statement) exist.

Subject to an extension of the Acceptance Period as described in sec. 4.5.1 of this Statement and sec. 5.2 of the Offer Document, the Additional Acceptance Period is expected to begin on 3 December 2024 and expire on 16 December 2024, 24:00 hrs (local time Frankfurt am Main, Germany) / 18:00 hrs (local time New York City, United States).

4.6 Rights of withdrawal

With regard to the right of withdrawal in the event of an amendment to the Offer or the launch of a Competing Offer, reference is made to the statements contained in sec. 17 of the Offer Document. This section of the Offer Document also contains information on the prerequisites and the exercise of the right of withdrawal.

4.7 Offer Conditions

The Takeover Offer and the agreements with Covestro Shareholders that come into existence as a result of the acceptance of the Offer will only be consummated pursuant to sec. 12.1 of the Offer Document, if the conditions set out in sec. 12.1.1 (Minimum Acceptance Threshold), sec. 12.1.2 (Merger control clearance), sec. 12.1.3 (Foreign investment clearances), sec. 12.1.4 (EU foreign subsidies clearance), sec. 12.1.5 (No dividend), sec. 12.1.6 (No changes to the majority requirements under articles of association or transformation measure), sec. 12.1.7 (No capital measures), sec. 12.1.8 (No insolvency of Covestro or any of its Material Subsidiaries), sec. 12.1.9 (No material adverse change at Covestro) and sec. 12.1.10 (No material compliance violation) of the Offer Document ("**Offer Conditions**") have been fulfilled or the Bidder has validly waived them in advance (as further set out below).

The Management Board and the Supervisory Board are of the view that these Offer Conditions correspond to those in comparable transactions and adequately take into account the legitimate interests of the Bidder and the Company.

As set out in sec. 12.3 of the Offer Document, the Bidder reserves the right – to the extent permissible – to waive all or individual Offer Conditions – to the extent permissible – up to one Business Day prior to the expiry of the Acceptance Period pursuant to sec. 21 para. 1 sent. 1 no. 4 WpÜG, or to reduce the minimum acceptance threshold pursuant to sec. 21 para. 1 sent. 1 no. 3 WpÜG, provided that these Offer Conditions have not ultimately lapsed beforehand. Offer Conditions that have been validly waived by the Bidder shall be deemed

to have been fulfilled for the purposes of the Offer. If the Bidder waives any of the Offer Conditions within the last two weeks prior to the expiry of the Acceptance Period specified in the Offer Document, the Acceptance Period shall be extended by two weeks in accordance with sec. 21 para. 5 WpÜG. If (i) one or more of the Offer Conditions have either not been fulfilled by the applicable date or (ii) the Bidder has not validly waived the relevant Offer Condition one Business Day prior to the expiry of the Acceptance Period and prior to the non-fulfilment of the relevant Offer Condition, the Offer will lapse. More details regarding a potential non-fulfilment of Offer Conditions are described in greater depth in sec. 12.3 of the Offer Document.

According to sec. 12.4 of the Offer Document, the Bidder will promptly announce on the website <https://www.covestro-offer.com> (in German together with a non-binding English translation) and in the Federal Gazette (*Bundesanzeiger*) if (i) an Offer Condition has been validly waived, (ii) an Offer Condition has been fulfilled, (iii) all Offer Conditions have either been fulfilled or have been validly waived, or (iv) the Offer is not consummated because an Offer Condition will definitely not be fulfilled or has definitely lapsed. Likewise, the Bidder will promptly announce after the expiry of the Acceptance Period, as part of the publication pursuant to sec. 23 para. 1 no. 2 WpÜG which of the Offer Conditions set out in sec. 12.1 of the Offer Document have been fulfilled by such time.

4.8 Status of the merger control proceedings

In sec. 11.1 of the Offer Document, the Bidder states that the Transaction is subject to merger control clearances or the expiration of certain waiting periods under applicable merger control regulations in Egypt, Brazil, China, the European Union, the Common Market for Eastern and Southern Africa, India, Japan, Canada, Morocco, Mexico, South Africa, South Korea, Switzerland, Taiwan, Turkey, the United Kingdom, the United States and Vietnam.

According to the information provided by the Bidder in sec. 11.1.4 of the Offer Document, the Bidder submitted an application for the allocation of a case team to the EU Commission on 1 October 2024. The Bidder states in the Offer Document that as soon as the EU Commission has allocated a case team, the Bidder will enter into the preliminary coordination with the EU Commission. As explained in secs. 11.1.1 through 11.1.3 as well as 11.1.5 through 11.1.18 of the Offer Document, the Bidder had not yet notified the Transaction to the relevant merger control authorities. It is not possible at this time to predict when the proceedings will be completed, even though the Bidder, according to secs. 11.1.1 through 11.1.3 as well as 11.1.5 through 11.1.18 of the Offer Document, intends to initiate the merger control proceedings without undue delay after publication of the Offer Document.

For further details regarding the merger control proceedings, reference is made to sec. 11.1 of the Offer Document.

4.9 Status of the foreign investment control proceedings

Sec. 11.2 of the Offer Document describes that the Transaction is subject to approvals under foreign investment law or the expiration of certain waiting periods under the applicable foreign investment regulations of Belgium, Germany, France, Italy, Canada, Spain, the United Kingdom and the United States.

According to the information provided by the Bidder in sec. 11.2.2 of the Offer Document, the Bidder submitted a precautionary notification together with an application for the

clearance certificate to the German Federal Ministry for Economic Affairs and Climate Protection (BMWK) on 11 October 2024.

In sec. 11.2.8 of the Offer Document, the Bidder also states that the Transaction requires filing with the Committee on Foreign Investment in the United States (CFIUS). The parties (to the business combination), in particular the Bidder and Covestro, have, in fulfilment of their CFIUS filings obligation, initiated a pre-filing coordination with CFIUS and intend to submit a voluntary (*long form*) notice in due course.

As explained in secs. 11.2.1 as well as 11.2.3 through 11.2.7 of the Offer Document, the Bidder had not yet notified the Transaction to the relevant foreign investment authorities, except in Germany and with the exception of the pre-filing coordination with regard to the CFIUS filings obligation. It is not possible at this time to predict when the proceedings will be completed, even though the Bidder, according to secs. 11.2.1 as well as 11.2.3 through 11.2.7 of the Offer Document, intends to initiate the foreign investment control proceedings without undue delay after publication of the Offer Document and, according to sec. 11.2.8 of the Offer Document, intends to submit a voluntary (*long form*) notice in due course in the context of the CFIUS filings obligation.

For further details regarding the foreign investment control proceedings, reference is made to sec. 11.2 of the Offer Document.

4.10 Status of the EU foreign subsidies control proceedings

According to sec. 11.3 of the Offer Document, the Transaction is subject to approval by the EU Commission in accordance with the applicable provisions of the EU Foreign Subsidies Regulation (EU) No. 2022/2560.

According to sec. 11.3 of the Offer Document, on 1 October 2024, the Bidder submitted an application for the assignment of a case team to the EU Commission and entered into the phase of preliminary consultations.

Based on the information provided by the Bidder, it is not yet possible to predict when the proceedings will be completed.

For further details regarding the EU foreign subsidies control proceedings, reference is made to sec. 11.3 of the Offer Document.

4.11 Acceptance and settlement of the Offer

Sec. 13 of the Offer Document describes the acceptance and settlement of the Offer, including the legal consequences of acceptance (sec. 13.4 of the Offer Document).

According to sec. 13.2 of the Offer Document, Covestro Shareholders may only accept the Offer by declaring their acceptance of the Offer in writing (*Textform*) or electronically ("**Declaration of Acceptance**") to their respective custodian investment services provider ("**Custodian Bank**") and instructing their Custodian Bank to immediately effect booking of the Covestro Shares which are held in their securities deposit account and for which they wish to accept the Offer into ISIN DE000A40KY26 at Clearstream Banking AG, Frankfurt am Main, Germany ("**Clearstream**"). The acceptance will only become effective upon the timely booking of the Covestro Shares, for which the Offer was accepted in due time during the Acceptance Period or the Additional Acceptance Period ("**Tendered Covestro Shares**") into ISIN DE000A40KY26 at Clearstream.

Until the settlement of the Offer, the Tendered Covestro Shares for which the Declaration of Acceptance has become effective, remain in the securities account of the Covestro Shareholder who has accepted the Offer in due time.

If all Offer Conditions pursuant to sec. 12.1 of the Offer Document, which the Bidder has not validly waived in advance, have been satisfied by the expiry of the Additional Acceptance Period, the payment of the Offer Price with respect to all Tendered Covestro Shares shall, according to the Bidder, be made without undue delay after the expiry of the Additional Acceptance Period, but no later than on the tenth Banking Day following publication of the results after the expiry of the Additional Acceptance Period pursuant to sec. 23 para. 1 sent. 1 no. 3 WpÜG.

If the Offer Conditions pursuant to sec. 12.1.2 (merger control clearances), sec. 12.1.3 (foreign investment clearances) and sec. 12.1.4 (EU foreign subsidies clearance) of the Offer Document, which the Bidder has not validly waived in advance, have not been fulfilled by the time of expiry of the Additional Acceptance Period, the payment of the Offer Price shall in accordance with sec. 13.6 of the Offer Document be made without undue delay, but no later than on the tenth Banking Day following the day on which the Bidder announces pursuant to sec. 12.4 of the Offer Document that all Offer Conditions pursuant to sec. 12.1 of the Offer Document (unless validly waived in advance) have been fulfilled, but at the earliest on the tenth Banking Day following publication of the results after the expiry of the Additional Acceptance Period pursuant to sec. 23 para. 1 no. 3 WpÜG.

In sec. 13.6 of the Offer Document, the Bidder also points out that the settlement of the Offer and the payment of the Offer Price to the accepting Covestro Shareholders may, due to the merger control, foreign investment and EU foreign subsidies control proceedings (see sec. 11 of the Offer Document) be delayed until the tenth Banking Day following 2 December 2025 (i.e., by 17 December 2025) or may not take place at all.

The Bidder further points out in sec. 13.2 of the Offer Document, that Covestro Shareholders who wish to accept the Offer should contact their respective Custodian Bank or their respective custodian investment services provider with registered office or a branch in the Federal Republic of Germany with any questions they may have regarding the acceptance of the Offer and technical aspects of settlement. These Custodian Banks and custodian investment services providers have been separately informed about the modalities for acceptance and settlement of the Offer and are required to inform customers who hold Covestro Shares in their securities deposit accounts about the Offer and the steps necessary to accept it.

4.12 Financing of the Offer

According to sec. 13 para. 1 sent. 1 WpÜG, the Bidder, prior to the publication of the Offer Document, must have taken the necessary measures to ensure that it has at its disposal the financial means necessary to fulfil the Offer in full at the time when the claim for consideration becomes due. According to the Bidder's statements in sec. 14 of the Offer Document, the Bidder has met this obligation.

4.12.1 Maximum consideration

According to sec. 14.1 of the Offer Document and the Bidder's calculations set out therein, the total amount that the Bidder would need to settle the Offer, if the Offer was accepted for all Covestro Shares not directly held by the Bidder, would amount to EUR 11,718,000,000.00 ("**Offer Costs**").

In addition, as set out in sec. 14.1 of the Offer Document, the Bidder expects that it will incur transaction costs in the amount of up to EUR 50,000,000.00 in connection with the Offer and its settlement ("**Transaction Costs**").

The Offer Costs and the Transaction Costs thus result in a maximum financing requirement of EUR 11,768,000,000.00 ("**Total Offer Costs**").

4.12.2 Financing measures

According to sec. 14.2 of the Offer Document, the Bidder has taken the following measures to ensure the financing:

Pursuant to an equity commitment letter dated 30 September 2024 ("**ECL**"), ADNOC International has undertaken vis-à-vis the Bidder and Morgan Stanley Europe SE to provide the Bidder, directly or indirectly, with an aggregate amount of up to EUR 12,939,800,000.00 in the form of equity and/or shareholder loans or similar instruments to enable the Bidder to fulfil its payment obligations under the Takeover Offer (including the payment of the Transaction Costs and the provision of the Additional Equity Funding) ("**Equity Financing**"). It is envisaged that ADNOC International will provide the Equity Financing to the Bidder at the settlement of the Takeover Offer. According to sec. 14.2 of the Offer Document, the ECL will terminate only upon the earlier of (i) payment of the Offer Price for the Tendered Covestro Shares or any related transaction expenses in connection with the Takeover Offer and the Additional Equity Funding, or (ii) a lapse of the Offer in accordance with the terms and conditions of the Offer Document. According to the Offer Document, the ECL has, as of the date of publication of the Offer Document, neither been terminated nor does the Bidder have reason to believe that any such grounds for the termination of the ECL may exist. According to the Offer Document, the Bidder therefore has an aggregate amount corresponding to the Total Offer Costs available for payment of the Total Offer Costs.

According to the information provided in the Offer Document, ADNOC International had sufficient funds available to fulfil its commitment towards the Bidder at the time of publication of the Offer Document.

According to the Offer Document, the Bidder has thus taken all necessary measures to ensure that it will, on the relevant date, have funds available in the amount of the Total Offer Costs.

4.12.3 Financing confirmation

According to sec. 14.3 of the Offer Document, Morgan Stanley Europe SE, with its registered seat in Frankfurt am Main, Germany, an investment service provider that is independent of the Bidder, has confirmed in writing in accordance with sec. 13 para. 1 sent. 2 WpÜG, that the Bidder has taken the measures necessary to ensure that it has at its disposal the necessary means to fulfil the Offer in full at the time when the claim for consideration becomes due. The financing confirmation of Morgan Stanley Europe SE dated 10 October 2024 is attached to the Offer Document as Annex 4.

4.12.4 Assessment of the financing by the Management Board and the Supervisory Board

The Management Board and the Supervisory Board of Covestro have no reason to doubt the accuracy and completeness of the Equity Financing described in the Offer Document and the financing confirmation of Morgan Stanley Europe SE. On this basis, the Management Board and the Supervisory Board are of the opinion that the Bidder has taken all necessary measures to ensure that the Bidder will have at its disposal the necessary financial means to fully satisfy the Offer in cash at the time the consideration becomes due, inter alia, because ADNOC International, according to its unaudited financial statements as shown in the Offer Document, has sufficient financial resources to provide the Bidder with the Equity Financing.

5 Type and amount of the consideration

5.1 Type and amount of the consideration

The Bidder is offering an Offer Price of EUR 62.00 in cash per Covestro Share, including all ancillary rights, in particular the right to dividends, that exist at the time of the settlement of the Offer.

5.2 Statutory minimum offer price

As far as the Management Board and the Supervisory Board can verify based on the available information, the Offer Price for the Covestro Shares complies with the provisions of sec. 31 WpÜG and secs. 3 et seqq. of the regulation on the content of the offer document, the consideration to be granted in takeover offers and mandatory offers and the exemption from the obligation to publish and launch an offer (*WpÜG-Angebotsverordnung – “WpÜG-Offer Regulation”*) regarding the statutory minimum price, which is determined based on the higher of the following thresholds.

5.2.1 Stock exchange price

Pursuant to sec. 5 para. 1 sent. 1 of the WpÜG-Offer Regulation, the consideration must, in the case of a voluntary public takeover offer pursuant to secs. 29 et seqq. WpÜG, be at least equal to the weighted average domestic stock exchange price of the shares during the last three months prior to the publication of the decision to launch the offer pursuant to sec. 10 para. 1 sent. 1 WpÜG by the bidder.

According to sec. 10.1 lit. (a) of the Offer Document, BaFin notified the Bidder that the weighted three-month average price of the Covestro Share as of the reference date of 30 September 2024 (including) equals EUR 54.70 per Covestro Share. The Offer Price of EUR 62.00 per Covestro Share exceeds this value.

5.2.2 Prior acquisitions

Pursuant to sec. 4 WpÜG-Offer Regulation (in conjunction with sec. 31 para. 6 WpÜG), the consideration must, in the case of a voluntary public takeover offer pursuant to secs. 29 et seqq. WpÜG, be at least equal to the highest consideration paid or agreed to be paid for the acquisition of Covestro Shares by the Bidder, a person acting jointly with the Bidder pursuant to sec. 2 para. 5 WpÜG or their subsidiaries within the last six months prior to the publication of the Offer Document on 25 October 2024.

According to sec. 10.1 lit. (b) of the Offer Document, the Bidder, persons acting jointly with the Bidder within the meaning of sec. 2 para. 5 WpÜG and their subsidiaries have only acquired or entered into contractual obligations for the acquisition of Covestro Shares as set forth in secs. 6.8 and 9.1.3 of the Offer Document and secs. 3.8 and 6.3.1(iii) of this Statement within the meaning of sec. 31 para. 6 WpÜG. The highest consideration paid or agreed to be paid for such an acquisition of a Covestro Share by the Bidder, a person acting jointly with the Bidder within the meaning of sec. 2 para. 5 WpÜG or their subsidiaries amounts to EUR 62.00 (see also secs. 3.8 and 6.3.1(iii) of this Statement with regard to the Additional Equity Funding). The Offer Price of EUR 62.00 per Covestro Share equals this value.

5.3 Assessment of the adequacy of the consideration

The Management Board and the Supervisory Board of Covestro have carefully and thoroughly examined and analysed the adequacy of the consideration offered by the Bidder for the Covestro Shares from a financial perspective, taking into account the Company's current strategy and financial planning, the historical share prices of the Covestro Shares, and certain other assumptions, information, and considerations (including the current geopolitical and macroeconomic situation). In their independent assessment, the Management Board was advised by Goldman Sachs Bank Europe SE, Frankfurt am Main, Germany ("**Goldman Sachs**") and Perella Weinberg GmbH, Munich, Germany ("**Perella Weinberg**"). The Supervisory Board was advised by Macquarie Capital France SA, German Branch, Frankfurt am Main, Germany ("**Macquarie**") and Rothschild & Co Deutschland GmbH, Frankfurt am Main, Germany ("**Rothschild & Co**") (the financial advisors mentioned in this sec. 5.3 collectively referred to as the "**Financial Advisors**").

The Management Board and the Supervisory Board explicitly point out that their assessment of the adequacy of the consideration has been carried out independently of each other.

5.3.1 Historical stock exchange prices

As already indicated by sec. 5 para. 1 sent. 1 WpÜG-Offer Regulation, the stock exchange price is a generally accepted basis for determining the adequacy of the consideration.

The Covestro Shares are admitted to trading on the regulated market (*Regulierter Markt*) with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange under ISIN DE0006062144 and are tradable via XETRA. The Covestro Shares are included in the DAX, Germany's leading index. Furthermore, the Covestro Shares are traded in the over-the-counter market (*Freiverkehr*) of the stock exchanges in Berlin, Dusseldorf, Hamburg, Hanover, Munich, and Stuttgart as well as via Tradegate Exchange.

In assessing the adequacy of the Offer Price, the Management Board and the Supervisory Board have, among others, considered the historical stock exchange prices of the Covestro Shares, which are also depicted in sec. 10.2.1 of the Offer Document.

Based on the stock exchange price of the Covestro Shares prior to the publication of the decision to launch the Offer on 1 October 2024, the Offer Price of EUR 62.00 per Covestro Share includes the following premia:

- (i) EUR 6.06 or 10.8% per Covestro Share compared to the closing price of the Covestro Shares in the exchange electronic trading system (XETRA) of the Frankfurt Stock Exchange of EUR 55.94 on 30 September 2024, the last trading day prior to the publication of the decision to launch the Takeover Offer pursuant to sec. 10 WpÜG;
- (ii) EUR 7.30 or 13.3% per Covestro Share compared to the volume-weighted average stock exchange price of the Covestro Shares in the exchange electronic trading system (XETRA) of the Frankfurt Stock Exchange of EUR 54.70 during the last three months prior to and including 30 September 2024, the last trading day prior to the publication of the decision to launch the Takeover Offer pursuant to sec. 10 WpÜG; and
- (iii) EUR 7.30 or 13.3% per Covestro Share compared to the volume-weighted average stock exchange price of the Covestro Shares of EUR 54.70 during the last three months prior to and including 30 September 2024, the last trading day prior to the publication of the decision to launch the Takeover Offer pursuant to sec. 10 WpÜG, as notified to the Bidder by BaFin on 8 October 2024.

The Management Board and the Supervisory Board point out that several press articles explicitly reporting about ADNOC's interest in Covestro and initial talks between the parties were published on 20 June 2023, and that, following the publication of these press articles, the stock exchange price of the Covestro Shares increased significantly, closing 12.9% higher on 20 June 2023 compared to the closing price on 19 June 2023 (based on the closing price of the Covestro Shares in the exchange electronic trading system (XETRA) of the Frankfurt Stock Exchange). According to the Management Board and the Supervisory Board, it is therefore particularly relevant for assessing the adequacy of the consideration to compare it also with reference prices prior to the publication of the press releases on 20 June 2023. The Management Board and the Supervisory Board therefore believe that it is likely, that the stock exchange price of the Covestro Shares has been continuously influenced by market rumours about a potential takeover offer for Covestro since that date.

Based on the stock exchange price of the Covestro Shares on 19 June 2023, the last trading day prior to these market rumours, the Offer Price of EUR 62.00 per Covestro Share includes the following premia:

- (i) EUR 21.69 or 53.8% per Covestro Share compared to the closing price of the Covestro Shares in the exchange electronic trading system (XETRA) of the Frankfurt Stock Exchange of EUR 40.31 on 19 June 2023; and
- (ii) EUR 23.50 or 61.0% per Covestro Share compared to the volume-weighted average stock exchange price of the Covestro Shares in the exchange electronic trading system (XETRA) of the Frankfurt Stock Exchange of EUR 38.50 during the last three months prior to and including 19 June 2023.

According to the Offer Document, the source for all stock exchange prices is Bloomberg (except for the volume-weighted three-month average stock exchange price as notified by BaFin).

In this context, the Board of Management and the Supervisory Board have also considered how the stock exchange prices of comparable companies have developed since 20 June 2023. In the view of the Management Board and the Supervisory Board, this shows that the premium over the volume-weighted average stock exchange price of Covestro Shares in the electronic trading system (XETRA) of the Frankfurt Stock Exchange of EUR 38.50 in the last three months before and including 19 June 2023, would not have materially changed if this three-month average from 20 June 2023 had developed in line with the change in the volume-weighted average of an index comprising these comparable companies since then.

In conclusion, the Offer Price thus represents a significant premium over the historical stock exchange prices of the Covestro Shares prior to the publication of the decision to launch the Offer and also prior to the emergence of the previously described market rumours. In light of this, the Management Board and the Supervisory Board have each independently concluded that the Offer Price appears adequate compared to these historical stock exchange prices of the Covestro Shares.

5.3.2 Valuation by research analysts

In assessing the adequacy of the Offer Price, the Management Board and the Supervisory Board have also considered the target prices for the Covestro Shares issued by selected research analysts prior to the Bidder's publication of its decision to launch the Offer on 1 October 2024 in accordance with sec. 10 para. 1 sent. 1 WpÜG.

The Management Board and the Supervisory Board point out that, given the market speculations circulating since at least 20 June 2023, target prices published after this date are or may have been explicitly or implicitly influenced by expectations regarding a potential takeover offer.

Therefore, the assessment also includes target prices issued by research analysts prior to the market rumours emerged on 20 June 2023.

Assessment by selected research analysts in the period prior to 1 October 2024 (prior to the announcement of the Offer decision)

Research Analyst	Date	Target Price (EUR)
Stifel	11 September 2024	51.00
Kepler Cheuvreux	11 September 2024	65.00
Oddo BHF	30 July 2024	62.00
UBS	10 September 2024	52.00
Jefferies	11 September 2024	62.00
Deutsche Bank	29 August 2024	58.00
HSBC	31 July 2024	57.00
DZ Bank AG Research	4 September 2024	63.00
Landesbank Baden-Württemberg	31 July 2024	60.00
Citi	15 August 2024	61.00

Bankhaus Metzler	30 July 2024	55.00
Berenberg	24 September 2024	58.00
BNP Paribas Exane	10 September 2024	52.00
Baader Helvea	30 July 2024	53.00
Barclays	19 September 2024	61.00
Alembic Global	30 July 2024	60.00
Average		58.13
Median		59.00

Source: *Bloomberg*.

Assessment by selected research analysts in the period prior to 20 June 2023 (prior to the emergence of the market rumours)

Research Analyst	Date	Target Price (EUR)
Morgan Stanley	19 June 2023	43.00
Jyske Bank	19 June 2023	40.00
Stifel	16 June 2023	34.00
Kepler Cheuvreux	15 June 2023	47.00
Goldman Sachs	14 June 2023	64.00
Oddo BHF	14 June 2023	48.00
UBS	13 June 2023	41.00
Jefferies	13 June 2023	46.00
Deutsche Bank	16 June 2023	48.00
HSBC	10 May 2023	44.00
DZ Bank AG Research	9 May 2023	47.00
Landesbank Baden-Württemberg	5 May 2023	46.00
Citi	3 May 2023	48.00
Bankhaus Metzler	2 May 2023	62.00
Berenberg	2 May 2023	40.00
BNP Paribas Exane	2 May 2023	46.00
Bank of America	2 May 2023	42.00
Morningstar	1 May 2023	52.00
Baader Helvea	28 April 2023	45.50

Barclays	19 June 2023	59.00
Alembic Global Advisors	28 April 2023	47.00
Average		47.12
Median		46.00

Source: *Bloomberg*.

Analyst's assessments are always the individual assessment made by the respective research analyst. Their views of the value of a share naturally differ. Nevertheless, the Management Board and the Supervisory Board believe that at least the calculated average as well as the calculated median are relevant and reliable indicators for the adequacy of the Offer Price.

Based on analyst expectations prior to 1 October 2024, which are meaningful only to a limited extent, the Offer Price of EUR 62.00 per Covestro Share includes a premium of EUR 3.87 or approximately 6.7% over the average target price of EUR 58.13 per Covestro Share and a premium of EUR 3.00 or approximately 5.1% over the median value of EUR 59.00 per Covestro Share.

Based on analyst expectations prior to 20 June 2023, the Offer Price of EUR 62.00 per Covestro Share includes a premium of EUR 14.88 or approximately 31.6% over the average target price of EUR 47.12 per Covestro Share and a premium of EUR 16.00 or approximately 34.8% over the median value of EUR 46.00 per Covestro Share.

5.3.3 Valuation based on multiples

The Management Board and the Supervisory Board have also considered valuations based on multiples, which were determined for them by the Financial Advisors. The multiple valuations are based on currently observable trading multiples of selected comparable listed companies and on the EBITDA expected by Covestro and the EBITDA forecasted by financial analysts on average for Covestro for the years 2024 and 2025 and for the twelve-month period beginning on 1 October 2024.

The Offer Price of EUR 62.00 per Covestro Share is in each case above the respective upper ends of the value ranges determined on this basis.

The Management Board and the Supervisory Board, therefore, see the adequacy of the Offer consideration confirmed also by a valuation using multiples.

5.3.4 Valuation based on the discounted cash flow method

The Management Board and the Supervisory Board have also considered valuations based on the discounted cash flow ("**DCF**") method, which were determined for them by the Financial Advisors. The DCF valuations are based on the current business planning and a range of assumptions for the long-term financial performance of Covestro beyond the planning horizon ("**Terminal Value Assumptions**").

The Offer Price of EUR 62.00 per Covestro Share is within the value ranges determined on this basis for the implied equity value per Covestro Share.

The business planning underlying the DCF valuations reflects the Company's current outlook for the fourth quarter of the financial year 2024 and the financial year 2025,

as well as the current medium-term planning beyond these years. The Management Board and the Supervisory Board consider the assumptions underlying the valuations to be realistic and believe that the valuations adequately take into account the opportunities and risks inherent in the business planning. Against this background, the Management Board and the Supervisory Board also see the adequacy of the Offer Price confirmed based on the DCF method.

5.3.5 Fairness Opinion of Goldman Sachs

The Management Board has engaged Goldman Sachs to provide a written opinion to the Management Board regarding the adequacy of the Offer Price from a financial perspective for Covestro Shareholders for the purposes of this Statement. Goldman Sachs last presented and explained to the Management Board the analyses conducted and the conclusions drawn based on them in detail on 7 November 2024 and submitted the opinion letter ("**Goldman Sachs Fairness Opinion**") in its original form on 6 November 2024.

In its opinion, Goldman Sachs concludes that, based on the assumptions and limitations on which it was based at the time it was prepared, the Offer Price of EUR 62.00 per Covestro Share is financially adequate for Covestro Shareholders. The Goldman Sachs Fairness Opinion is attached to this Statement in full text as **Annex 2**.

The Management Board has thoroughly reviewed the Goldman Sachs Fairness Opinion, discussed its findings in detail with Goldman Sachs representatives and subjected them to its own critical evaluation.

The Management Board expressly points out that the Goldman Sachs Fairness Opinion is intended solely for the information and support of the Management Board in connection with its assessment of the adequacy of the Offer from a financial point of view and that the Goldman Sachs Fairness Opinion does not constitute a recommendation as to whether or not a Covestro Shareholder should tender his Covestro Shares in connection with the Offer or with respect to any other matter. The Goldman Sachs Fairness Opinion is not addressed to, and does not create any rights for, any third parties (including the Covestro Shareholders). Neither the fact that the Goldman Sachs Fairness Opinion was issued to the Management Board nor Goldman Sachs's consent to attach the Goldman Sachs Fairness Opinion to this Reasoned Statement as annex authorises third parties (including Covestro Shareholders) to rely on the Goldman Sachs Fairness Opinion or to derive any rights from the Goldman Sachs Fairness Opinion; in particular no contractual or other legal relationship is established in this regard. Neither the Goldman Sachs Fairness Opinion nor the engagement letter on which it is based contains any protection for third parties (including the Covestro Shareholders) or leads to the inclusion of third parties (including the Covestro Shareholders) in its respective scope of protection, and Goldman Sachs does not assume any liability to third parties with respect to the Goldman Sachs Fairness Opinion.

The consent of Goldman Sachs that the Goldman Sachs Fairness Opinion may be attached to this Statement does not constitute an extension or addition of the group of persons to whom the Goldman Sachs Fairness Opinion is addressed or who may rely on the Goldman Sachs Fairness Opinion, nor does it result in third parties being

included in the scope of protection of the Goldman Sachs Fairness Opinion or the underlying engagement letter.

In particular, the Goldman Sachs Fairness Opinion does not constitute a recommendation to the Covestro Shareholders to accept or not to accept the Offer or how a Covestro Shareholder should otherwise act with respect to the Offer. The Goldman Sachs Fairness Opinion also does not include any express or implied opinion regarding the relative merits of the Offer compared to other strategic alternatives that may be available to the Company, nor does the Goldman Sachs Fairness Opinion address legal, regulatory, tax or accounting issues. The decision on whether to accept or reject the Offer is to be made by the Covestro Shareholders based on their individual circumstances.

As part of the preparation of the Goldman Sachs Fairness Opinion its assessment of the fairness of the Offer Price from a financial point of view, Goldman Sachs conducted a series of financial analyses using recognised valuation methods, as typically performed in comparable situations and deemed appropriate, to provide the Management Board with a basis for its own assessment of the adequacy of the Offer Price from a financial perspective. In doing so, Goldman Sachs took into account a number of assumptions, procedures, restrictions and assessments. The specific approach taken by Goldman Sachs is described in the Goldman Sachs Fairness Opinion. In particular, Goldman Sachs has not performed any independent valuation or appraisal of the assets and liabilities (including any contingent liabilities, derivatives or other off-balance sheet assets and liabilities) of Covestro and its subsidiaries; nor has any such valuation or appraisal been provided to Goldman Sachs. For the purposes of the Goldman Sachs Fairness Opinion, Goldman Sachs has relied upon the accuracy and completeness of all financial, legal, regulatory, tax, accounting and other information, without assuming responsibility for an independent review of such information.

The analyses of Goldman Sachs are based, inter alia, on (i) the final draft of this Statement in the form approved by the Management Board and the Supervisory Board, (ii) the Offer Document, (iii) the Investment Agreement (as defined below in sec. 6.2 of this Statement), (iv) the annual reports of Covestro (including the consolidated financial statements contained therein) for the five financial years for the period ended 31 December 2023, (v) the quarterly report of Covestro for the period ended 31 March 2024, (vi) the half-year financial report of Covestro for the period ended 30 June 2024, (vii) certain other communications from Covestro to its shareholders, (viii) certain publicly available research analyst reports on Covestro, and (ix) certain internal financial analyses and forecasts for the Company prepared by the Company, which were made available to Goldman Sachs by the Management Board for its use. Goldman Sachs also (i) held discussions with some members of the senior management (*Executive Leaders*) of Covestro regarding their assessment of the strategic rationale and potential benefits of the Transaction as well as the past and current business operations, financial condition, and future prospects of Covestro, (ii) reviewed reported price and trading activity for the Covestro Shares, (iii) compared certain financial and stock market information for Covestro with similar information for certain other companies whose securities are publicly traded, (iv) reviewed the financial terms of certain recent business combinations, including German takeover offers, in the chemicals industry, and (v) performed such other studies and analyses as well as considered other factors Goldman Sachs deemed

appropriate. Goldman Sachs has also assumed, with the consent of the Management Board, that forecasts have been reasonably prepared on a basis reflecting the Management Board's best current estimates and assessments. In the opinion of the Management Board, the methods applied in the Goldman Sachs Fairness Opinion are internationally common and recognized procedures, whose application is also deemed appropriate by the Management Board in this case.

The Goldman Sachs Fairness Opinion is subject to certain assumptions and reservations, which are explained in more detail in the Goldman Sachs Fairness Opinion. The Management Board points out that the Goldman Sachs Fairness Opinion must be read in its entirety in order to understand its scope and outcome. The Goldman Sachs Fairness Opinion is based on economic, monetary, market and other conditions as well as information existing at the time of the issuance of the Goldman Sachs Fairness Opinion. Events occurring after this date may affect the assumptions on which the preparation of the Goldman Sachs Fairness Opinion and the conclusions drawn therein were based. Goldman Sachs is under no obligation to update, revise or re-confirm the Goldman Sachs Fairness Opinion as a result of circumstances, new developments or other events occurring after the date of the Goldman Sachs Fairness Opinion.

The Goldman Sachs Fairness Opinion does not constitute a valuation report as typically prepared by auditors or independent valuation experts pursuant to the requirements of German corporate law (e.g., a company valuation in accordance with the Principles for the Performance of Business Valuations (IDW S1) published by the Institut der Wirtschaftsprüfer in Deutschland e.V. ("**IDW**"), such as a valuation report for the purpose of executing a squeeze-out of minority shareholders), and it is neither intended nor should it be construed or regarded as such. In particular, the Principles of the Preparation of Fairness Opinions (IDW S8) were also not taken into account in the preparation of the Goldman Sachs Fairness Opinion. A fairness opinion of the type issued by Goldman Sachs to assess financial adequacy differs in a number of significant respects from a company valuation performed by an auditor or an independent valuation expert and from valuations for accounting purposes in general. The Management Board points out that it has also not conducted its own company valuation of Covestro based on the IDW S1 principles.

Furthermore, Goldman Sachs has not provided any assessment as to whether the terms of the Offer comply with the requirements of the WpÜG or any other legal requirements.

The Goldman Sachs Fairness Opinion relates solely to the financial adequacy of the Offer Price per Covestro Share for Covestro Shareholders as of the date of issuance of the Goldman Sachs Fairness Opinion. It does not relate to other aspects of the Offer.

Goldman Sachs will receive compensation from Covestro for the services rendered as financial advisor in connection with the Offer, which is fully contingent upon the completion of the Takeover Offer. Additionally, Covestro has agreed to reimburse Goldman Sachs for certain expenses and to indemnify Goldman Sachs for certain liabilities that may arise from the engagement. It should be noted that Goldman Sachs has, from time to time, provided certain financial advisory and/or underwriting services to Covestro and/or its affiliates, for which Goldman Sachs Investment Banking has received and may receive compensation. It should also be noted that

Goldman Sachs has, from time to time, provided certain financial advisory and/or underwriting services to ADNOC and/or its affiliates, for which Goldman Sachs Investment Banking has received and may receive compensation, including acting as advisor to ADNOC in relation to a joint venture with BP p.l.c. in February 2024, as financial advisor to ADNOC with respect to an acquisition of an interest in Area 4 Gas Block (Mozambique) in May 2024, and as lead underwriter for ADNOC in connection with a follow-on offering of shares of ADNOC Drilling Company P.J.S.C., a portfolio company of ADNOC, in May 2024. Furthermore, it should be noted that Goldman Sachs may, from time to time, also have provided certain financial advisory and/or underwriting services to the United Arab Emirates and/or its authorities or entities and their affiliates, for which Goldman Sachs Investment Banking may receive compensation. Finally, it should be noted that Goldman Sachs may also provide financial advisory and/or underwriting services to Covestro, ADNOC, ADNOC International, United Arab Emirates, the Bidder, and their affiliates in the future, for which Goldman Sachs Investment Banking may receive compensation.

Based on its own experience, the Management Board has convinced itself of the plausibility and appropriateness of the procedures, methods, and analyses applied by Goldman Sachs.

5.3.6 Fairness Opinion of Perella Weinberg

The Management Board has engaged Perella Weinberg to provide a written opinion to the Management Board regarding the adequacy of the Offer Price from a financial perspective for Covestro Shareholders (excluding the Bidder, ADNOC International, ADNOC and any affiliates of the Bidder, ADNOC International and/or ADNOC and any persons acting jointly with them) for the purposes of this Statement. Perella Weinberg last presented and explained to the Management Board the analyses conducted and the conclusions drawn based on them in detail on 7 November 2024 and submitted the opinion letter ("**PWP Fairness Opinion**" and together with the Goldman Sachs Fairness Opinion, the "**Management Board Fairness Opinions**") in its original form on 6 November 2024.

Perella Weinberg concludes that, based on the assumptions and limitations contained in the PWP Fairness Opinion, the Offer Price of EUR 62.00 per Covestro Share is financially adequate for Covestro Shareholders (excluding the Bidder, ADNOC International, ADNOC and any affiliates of the Bidder, ADNOC International and/or ADNOC and any persons acting jointly with them) as of the date of issuance of the PWP Fairness Opinion. The PWP Fairness Opinion is attached to this Statement in full text as **Annex 3**.

As part of the preparation of the PWP Fairness Opinion, Perella Weinberg conducted a series of financial analyses using recognised valuation methods, as typically performed in comparable situations and deemed appropriate, to provide the Management Board with a solid basis for its own assessment of the adequacy of the Offer Price from a financial perspective. The approach taken by Perella Weinberg is described in the PWP Fairness Opinion.

The analyses of Perella Weinberg are based, inter alia, on (i) a review of certain publicly available historical business and financial information relating to Covestro, (ii) a review of certain publicly available reports from equity research analysts (iii) a review of certain internal financial forecasts and other internal business and financial

information relating to the business of Covestro, prepared by the Company and provided to Perella Weinberg for use by or at the direction of the Management Board and certain other representatives of Covestro, (iv) discussions with certain members of the senior management (*Executive Leaders*) of Covestro regarding aspects on the past and current business, operations, financial condition and prospects, including certain aspects of the long-term normalized financial performance prospects of Covestro, (v) a comparison of certain financial and stock market information in relation to Covestro with that of certain publicly traded companies Perella Weinberg considers generally relevant, (vi) a review of the financial terms of certain public takeover offers in Germany, which Perella Weinberg considers to be generally relevant, (vii) a performance of various DCF analyses, (viii) a review of historical stock exchange prices of Covestro Shares, (ix) a consideration that on 20 June 2023 and at various later dates, there were press reports regarding a potential takeover interest in Covestro from ADNOC, including speculation about the potential offer consideration, and that the Company had publicly announced its decision to enter into discussions with ADNOC regarding a potential transaction, (x) a review of the Offer Document and (xi) conducting other financial studies, analyses and investigations taking into account other factors considered appropriate by Perella Weinberg. In the opinion of the Management Board, the methods applied in the PWP Fairness Opinion are internationally common and recognized procedures, whose application is also deemed appropriate by the Management Board in this case.

The PWP Fairness Opinion includes, inter alia, statements regarding certain underlying assumptions, information relied upon by Perella Weinberg, procedures performed, aspects considered, and limitations of Perella Weinberg's review. The Management Board points out that the PWP Fairness Opinion must be read in its entirety in order to understand its scope and outcome. The PWP Fairness Opinion does not constitute a valuation report as typically prepared by auditors pursuant to the requirements of German corporate and commercial law (e.g., a company valuation in accordance with the Principles for the Performance of Business Valuations (IDW S1) published by IDW, such as a valuation report for the purpose of executing a squeeze-out of minority shareholders), and it is neither intended nor should it be construed or regarded as such. In particular, the Principles of the Preparation of Fairness Opinions (IDW S8) were also not taken into account in the preparation of the PWP Fairness Opinion. A fairness opinion of the type issued by Perella Weinberg to assess financial adequacy differs in a number of significant respects from a company valuation performed by an auditor and from valuations for accounting purposes in general.

The PWP Fairness Opinion addresses solely the question of whether the Offer Price per Covestro Share is adequate for the Covestro Shareholders (excluding the Bidder, ADNOC International, ADNOC and any affiliates of Bidder, ADNOC International or ADNOC and any persons acting jointly with them) as of the date of issuance of the PWP Fairness Opinion. It does not relate to other aspects of the Offer and does not make any recommendation as to whether a Covestro Shareholder should tender their Covestro Shares under the Offer or how a Covestro Shareholder should otherwise act regarding the Offer.

The Management Board expressly points out that Perella Weinberg issued the PWP Fairness Opinion solely for the information and support of the Management Board in

connection with its assessment of the financial adequacy of the Offer. The PWP Fairness Opinion is not addressed to third parties and does not establish any rights for third parties. Neither the fact that the PWP Fairness Opinion was issued to the Management Board nor the consent of Perella Weinberg to attach the PWP Fairness Opinion to the Reasoned Statement as an annex entitles third parties (including Covestro Shareholders) to rely on the PWP Fairness Opinion or derive rights from it. Perella Weinberg assumes no liability to third parties (including Covestro Shareholders) for the PWP Fairness Opinion. The PWP Fairness Opinion in particular is not addressed to the Covestro Shareholders and does not constitute a recommendation as to whether or not Covestro Shareholders should accept the Offer.

Perella Weinberg will receive compensation from Covestro for the services rendered as financial advisor in connection with the Transaction, the Offer and this Reasoned Statement. A portion of this compensation was already due upon submission of a statement by Perella Weinberg in connection with the decision of the Management Board on the conclusion of the Investment Agreement (as defined in sec. 6.2 of this Reasoned Statement), and a further part will become due upon publication of this Reasoned Statement, and a significant portion is, inter alia, contingent upon the outcome of the Offer and the Transaction. Additionally, Covestro has undertaken to reimburse Perella Weinberg for certain expenses and to indemnify Perella Weinberg for certain liabilities that may arise from the engagement.

It should be noted that Perella Weinberg or affiliates of Perella Weinberg may have provided, may be providing, or may provide advisory or other financial services to Covestro, the Bidder, ADNOC International, ADNOC, their affiliates, or any other parties involved in the Offer or in the Transaction, for which services Perella Weinberg has received or will receive compensation.

Based on its own experience, the Management Board has convinced itself of the plausibility and appropriateness of the procedures, methods, and analyses applied by Perella Weinberg.

5.3.7 Fairness Opinion Macquarie

The Supervisory Board has engaged Macquarie to provide a written opinion to the Supervisory Board regarding the fairness of the Offer Price from a financial point of view for Covestro Shareholders for the purposes of this Statement. Macquarie last presented and explained to the Supervisory Board the analyses conducted and the conclusions drawn based on them in detail on 7 November 2024 and submitted the opinion letter ("**Macquarie Fairness Opinion**") in its original form on 7 November 2024.

As part of the preparation of the Macquarie Fairness Opinion, Macquarie conducted a financial analysis, as performed in comparable capital market transactions and deemed appropriate, to provide the Supervisory Board with a basis for its own assessment of the fairness of the Offer Price from a financial point of view. The approach taken by Macquarie is described in the Macquarie Fairness Opinion.

The analysis of Macquarie is based, inter alia, on (i) the Offer Document, (ii) certain internal financial forecasts, analyses, and other internal business and financial information regarding Covestro, prepared by or on behalf of Covestro and provided to Macquarie for its use by or at the direction of the management of Covestro

(including, but not limited to, the Management Board), and certain other representatives of Covestro, (iii) various question-and-answer sessions with Covestro's management, finance, and controlling team and their financial advisors, regarding, among other things, past and current operations, financials and key assumptions of Covestro's financial forecasts, including aspects of the long-term normalized financial performance prospects of Covestro, (iv) certain financial and market data (websites, annual/quarterly reports, investor/company presentations, FactSet, Bloomberg, etc.) with respect to Covestro and other listed companies considered relevant by Macquarie, and (v) publications/reports by equity research analysts on Covestro and other comparable companies considered relevant by Macquarie. Macquarie has neither audited nor reviewed the information or documents provided by Covestro and other information or documents on which the Macquarie Fairness Opinion is based. In the opinion of the Supervisory Board, the methods applied in the Macquarie Fairness Opinion are internationally common and recognized procedures, whose application is also deemed appropriate by the Supervisory Board in this case.

The Macquarie Fairness Opinion includes, inter alia, statements regarding certain underlying assumptions, information relied upon by Macquarie, aspects considered, and limitations of Macquarie's review. The Supervisory Board points out that the Macquarie Fairness Opinion must be read in its entirety in order to understand its scope and outcome. The Macquarie Fairness Opinion does not constitute a valuation report as typically prepared by auditors pursuant to the requirements of German corporate law (e.g., a company valuation in accordance with the Principles for the Performance of Business Valuations (IDW S1) published by the IDW, such as a valuation report for the purpose of executing a squeeze-out of minority shareholders), and it is neither intended nor should it be construed or regarded as such. In particular, the Principles of the Preparation of Fairness Opinions (IDW S8) were also not taken into account in the preparation of the Macquarie Fairness Opinion. A fairness opinion of the type issued by Macquarie to assess financial fairness differs in a number of significant respects from a company valuation performed by an auditor and from valuations for accounting purposes in general.

The Macquarie Fairness Opinion relates solely to the financial fairness of the Offer Price per Covestro Share for Covestro Shareholders, to whom the Offer is made, as of the date of issuance of the Macquarie Fairness Opinion. It does not relate to other aspects of the Offer, does not include any assessment of any other statements made in this Statement or in the Offer Document or their completeness or correctness, and does not make any recommendation as to whether a Covestro Shareholder should tender their Covestro Shares under the Offer.

The Supervisory Board expressly points out that Macquarie issued the Macquarie Fairness Opinion solely for the information and support of the Supervisory Board in connection with its assessment of the financial fairness of the Offer and that it does not replace the Supervisory Board's assessment. The Macquarie Fairness Opinion is solely intended for the Supervisory Board, is not addressed to third parties and does not establish any rights for third parties. Neither the fact that the Macquarie Fairness Opinion was issued to the Supervisory Board nor the consent of Macquarie to attach the Macquarie Fairness Opinion to the Reasoned Statement as an annex entitles third parties (including Covestro Shareholders) to rely on the Macquarie Fairness Opinion or derive rights from it. Third parties cannot therefore derive any

claims or rights against Macquarie, its affiliated companies or their representatives from the Macquarie Fairness Opinion and the fact of it being referred to in this Statement. Macquarie assumes no responsibility to third parties for the Macquarie Fairness Opinion, in particular with regard to the decision of Covestro Shareholders to accept or not accept the Offer.

Macquarie was and will continue to act as an advisor to the Supervisory Board on financial aspects related to the Offer and will receive a fee from Covestro for its services as financial advisor to the Supervisory Board in connection with the Offer (including for the issuance of the Macquarie Fairness Opinion), a substantial portion of which becomes payable upon the completion of the Transaction, or if the Bidder abandons or withdraws from the Transaction. Additionally, Covestro has agreed to cover expenses of Macquarie and its affiliates in connection with the engagement by Covestro and to indemnify Macquarie for certain liabilities arising therefrom, including in connection with the rendering of its statement.

It should be noted that Macquarie and its affiliates may in the future provide financial advisory and/or placement or other services to Covestro, the Bidder, ADNOC, ADNOC International, and/or their affiliates, for which Macquarie and/or its affiliates may receive compensation. It should also be noted that Macquarie and/or its affiliates may currently hold for their own account or for the account of others, securities of Covestro or derivatives thereof (or claims to receive such securities or derivatives or commitments to deliver such securities or derivatives) and may trade or otherwise engage in transactions with these securities (and this may also occur in the future).

Macquarie concludes, based on its analysis and subject to the foregoing and the statements, assumptions and limitations contained in the Macquarie Fairness Opinion, that the Offer Price of EUR 62.00 per Covestro Share is fair, from a financial point of view, on the date of issue of the Macquarie Fairness Opinion for those Covestro Shareholders to whom the Offer is addressed. The Macquarie Fairness Opinion is attached to this Statement in full text as **Annex 4**.

Macquarie has not undertaken any obligation to amend or withdraw the Macquarie Fairness Opinion at a later date if Macquarie becomes aware that relevant information was inaccurate, incomplete or misleading.

Based on its own experience, the Supervisory Board has convinced itself of the plausibility and appropriateness of the procedures, methods, and analyses applied by Macquarie.

5.3.8 Fairness Opinion of Rothschild & Co

The Supervisory Board has engaged Rothschild & Co to provide a written opinion to the Supervisory Board regarding the adequacy of the Offer Price from a financial perspective for Covestro Shareholders for the purposes of this Statement. Rothschild & Co presented and explained to the Supervisory Board the analyses conducted and the conclusions drawn based on them in detail on 7 November 2024 and submitted the opinion letter ("**Rothschild & Co Fairness Opinion**") and together with the Macquarie Fairness Opinion, the "**Supervisory Board Fairness Opinions**"; the Management Board Fairness Opinions and the Supervisory Board Fairness Opinions collectively referred to as the "**Fairness Opinions**") in its original form on 7 November 2024.

Rothschild & Co concludes that, based on the assumptions and limitations contained in the Rothschild & Co Fairness Opinion, the Offer Price of EUR 62.00 per Covestro Share is financially adequate for Covestro Shareholders as of the date of issuance of the Rothschild & Co Fairness Opinion. The Rothschild & Co Fairness Opinion is attached to this Statement in full text as **Annex 5**.

As part of the preparation of the Rothschild & Co Fairness Opinion, Rothschild & Co conducted a series of financial analyses using recognised valuation methods, as performed in comparable situations and deemed appropriate, to provide the Supervisory Board with a basis for its own assessment of the adequacy of the Offer Price from a financial perspective. The approach taken by Rothschild & Co is described in the Rothschild & Co Fairness Opinion.

The analyses of Rothschild & Co are based, inter alia, on the Offer Document, the final draft of this Statement, the Investment Agreement (as defined below in sec. 6.2 of this Statement), and certain publicly available information, data, plans, and financial forecasts provided by Covestro, as well as explanatory materials. Rothschild & Co has also (i) compared the financial and operational performance of Covestro and the market price performance of the Covestro Share with publicly available information for other companies deemed relevant by Rothschild & Co and analysed the current and historical market price performance of the shares of those companies, (ii) held limited discussions regarding Covestro's business performance, financial conditions, future prospects, and certain other matters with the Management Board and other representatives of Covestro, (iii) had discussions with representatives of Covestro and its financial advisors engaged for the Transaction, (iv) compared the Offer Price with the publicly available financial parameters of selected other transactions, (v) prepared DCF valuations of Covestro, and (vi) conducted other investigations and analyses that Rothschild & Co deemed appropriate. The methods applied in the Rothschild & Co Fairness Opinion are, in the opinion of the Supervisory Board, internationally common and recognized procedures, whose application is also deemed appropriate by the Supervisory Board in this case.

The Rothschild & Co Fairness Opinion includes, inter alia, statements regarding certain underlying assumptions, information relied upon by Rothschild & Co, procedures performed, aspects considered, and limitations of Rothschild & Co's review. The Supervisory Board points out that the Rothschild & Co Fairness Opinion, must be read in its entirety in order to understand its scope and outcome. The Rothschild & Co Fairness Opinion does not constitute a valuation report as typically prepared by auditors pursuant to the requirements of German corporate law (e.g., a company valuation in accordance with the Principles for the Performance of Business Valuations (IDW S1) published by the IDW, such as a valuation report for the purpose of executing a squeeze-out of minority shareholders), and it is neither intended nor should it be construed or regarded as such. In particular, the Principles of the Preparation of Fairness Opinions (IDW S8) were also not taken into account in the preparation of the Rothschild & Co Fairness Opinion. A fairness opinion of the type issued by Rothschild & Co to assess financial adequacy differs in a number of significant respects from a company valuation performed by an auditor and from valuations for accounting purposes in general.

The Rothschild & Co Fairness Opinion relates solely to the financial adequacy of the Offer Price per Covestro Share for Covestro Shareholders as of the date of issuance of the Rothschild & Co Fairness Opinion. It does not relate to other aspects of the Offer and does not make any recommendation as to whether a Covestro Shareholder should tender their Covestro Shares under the Offer.

The Supervisory Board expressly points out that Rothschild & Co issued the Rothschild & Co Fairness Opinion solely for the information and support of the Supervisory Board in connection with its assessment of the financial adequacy of the Offer. The Rothschild & Co Fairness Opinion is not addressed to third parties and does not establish any rights for third parties. Neither the fact that the Rothschild & Co Fairness Opinion was issued to the Supervisory Board nor the consent of Rothschild & Co to attach the Rothschild & Co Fairness Opinion to the Reasoned Statement as an annex entitles third parties (including Covestro Shareholders) to rely on the Rothschild & Co Fairness Opinion or derive rights from it. Rothschild & Co assumes no responsibility to third parties for the Rothschild & Co Fairness Opinion.

Rothschild & Co will receive compensation from Covestro for the services rendered as financial advisor to the Supervisory Board in connection with the Offer, a significant portion of which becomes payable upon delivery of the Rothschild & Co Fairness Opinion. Covestro has agreed to reimburse Rothschild & Co for expenses incurred in connection with its engagement and to indemnify Rothschild & Co against certain liabilities arising therefrom, including in connection with the preparation of its statement. It should be noted that Rothschild & Co and/or its affiliates may have had, may currently have, or may in the future have business relationships with Covestro, the Bidder, or their respective affiliates, for which fees have been or will be paid. It should also be noted that affiliates of Rothschild & Co are engaged in financial advisory services, asset management, securities trading, and other activities and services, which may lead them to acquire, hold, or sell for their own account or for the account of others, securities or other financial instruments of any kind issued by Covestro, the Bidder, or their respective affiliates.

Based on its own experience, the Supervisory Board has convinced itself of the plausibility and appropriateness of the procedures, methods, and analyses applied by Rothschild & Co.

5.3.9 Overall assessment of the adequacy of the consideration

The Management Board and the Supervisory Board have carefully and thoroughly analysed and assessed the adequacy of the consideration offered by the Bidder. The Management Board and the Supervisory Board have taken into account their own considerations and, with regard to the Management Board, noted the content of the Management Board Fairness Opinions, and, with regard to the Supervisory Board, noted the content of the Supervisory Board Fairness Opinions, and each of them has convinced itself of the plausibility of the approach taken by their respective Financial Advisors based on their own experience.

The Management Board and the Supervisory Board consider a cash consideration to be adequate. There are no indications that another form of consideration would be preferable in this case.

In their respective considerations, the Management Board and the Supervisory Board have taken into account, in particular, but not limited to, the following aspects:

- The Offer Price of EUR 62.00 per Covestro Share includes a premium of EUR 23.50 or 61.0 % to the volume-weighted average stock exchange price of the Covestro Shares in the exchange electronic trading system (XETRA) of the Frankfurt Stock Exchange of EUR 38.50 during the last three months prior to and including 19 June 2023, the last trading day prior to the emergence of market rumours about a potential takeover offer for Covestro.
- The Offer Price of EUR 62.00 per Covestro Share includes a premium of EUR 16.00 or approximately 34.8 % on the (median) target price of analysts of EUR 46.00 per Covestro Share in the period prior to 20 June 2023.
- The Offer Price lies in each case above upper ends of the value ranges for the Covestro Share determined using valuation multiples.
- The Offer Price lies in each case within the value ranges for the Covestro Share determined based on DCF analyses and thus adequately reflects the value of the Company.
- The consideration allows Covestro Shareholders, subject to the fulfilment of or the valid waiver by the Bidder of the Offer conditions, a secure value realisation.

Based on a comprehensive assessment of, inter alia, the aspects outlined above, the overall circumstances of the Offer as well as the Fairness Opinions that the Management Board and the Supervisory Board have each taken into account in their assessment, the Management Board and the Supervisory Board, independently of each other, consider the Offer Price of EUR 62.00 per Covestro Share to comply with the statutory minimum requirements within the meaning of sec. 31 para. 1 WpÜG and to be fair and adequate.

6 Objectives and intentions pursued by the Bidder and their assessment by the Management Board and the Supervisory Board

In sec. 8 of the Offer Document, the Bidder describes the background of the Offer, in particular the economic and strategic rationale as well as the Investment Agreement (as defined below in sec. 6.2 of this Statement). The intentions of the Investor with regard to Covestro are set out in sec. 9 of the Offer Document. Covestro Shareholders are advised to read these sections of the Offer Document carefully. The following summary is intended to provide an overview of the background to the Offer as set out in the Offer Document as well as the intentions of the Investor with respect to Covestro without making any claims to be exhaustive. Subsequently, the Management Board and the Supervisory Board state their assessment (sec. 6.4 of this Statement).

The objectives and intentions of the Investor set out below are based exclusively on its statements in the Offer Document and the stipulations of the Investment Agreement. The Management Board and the Supervisory Board point out that, beyond certain obligations of the Investor in the Investment Agreement, they are not in a position to verify the intentions expressed by the Investor or to ensure their implementation.

6.1 Economic and strategic background of the Offer

In sec. 8.1 of the Offer Document, the Bidder describes the economic and strategic background of the Offer. According to the Bidder's statement in sec. 8.1 of the Offer Document and the Investment Agreement, the Transaction is a key pillar of ADNOC International's growth strategy to become a top 5 global chemicals player. Covestro will become the foundational platform for ADNOC International's performance materials and specialty chemicals & solutions business. According to the Bidder and as stated in the Investment Agreement (as defined below in sec. 6.2 of this Statement), the economic and strategic rationale of the Investor is to (i) support the implementation of Covestro's Business Strategy (as defined in sec. 6.3.1 of this Statement) and the further strategic development of Covestro, as well as (ii) strengthen Covestro's position as one of the world's leading manufacturers of high-quality polymer materials, in both Performance Materials and Solutions & Specialties segments.

As also set out in sec. 8.1 of the Offer Document and as stipulated in the Investment Agreement, it is the joint view and understanding of Covestro and the Investor that ADNOC International, through its scale and capabilities, is ideally placed to ensure an excellent future for Covestro and its stakeholders, including its employees. According to the Bidder, ADNOC International echoes Covestro's belief that embracing the circular economy and decarbonisation are core objectives. According to the Bidder and as set out in the Investment Agreement, ADNOC International is keen to support Covestro's Business Strategy and Business Plan (each as defined in sec. 6.3.1(i) of this Statement) to enable Covestro to implement its Business Strategy and Business Plan.

6.2 Investment Agreement

According to sec. 8.2 of the Offer Document, Covestro, the Investor and – with regard to certain obligations – ADNOC entered into an investment agreement on 1 October 2024 ("**Investment Agreement**"), which stipulates the principal terms and conditions of the Transaction and the mutual commitments, intentions and understandings regarding Covestro's future organisational and corporate governance structure and business operations. These stipulations are subject to applicable law, in particular the respective fiduciary duties of the Management Board and the Supervisory Board.

The material terms of the Investment Agreement are summarised below and in sec. 6.3 of this Statement in connection with the description of the intentions of the Investor:

6.2.1 Material terms of the Takeover Offer

In the Investment Agreement, the parties have agreed on the material terms of the Offer by the Bidder. In this context, the Bidder has agreed to launch a voluntary takeover offer in the form of a cash offer at the Offer Price and subject to the Offer Conditions as set forth in sec. 12.1 of the Offer Document.

6.2.2 Support for the Offer

Since the Management Board and the Supervisory Board are of the view that the Takeover Offer is in the best interest of Covestro, the Management Board has undertaken in the Investment Agreement to state in the Reasoned Statement pursuant to sec. 27 para. 1 WpÜG that, in its reasonable opinion, (i) the Takeover Offer is in the best interest of Covestro and (ii) the Offer Price is fair and adequate and that, therefore the Management Board supports the Takeover Offer and recommends to Covestro Shareholders to accept it. In addition, the Management

Board has undertaken to recommend to the Supervisory Board to also make such statements.

However, this obligation of the Management Board to support and recommend is subject to certain conditions:

- The Takeover Offer complies with the terms set forth in the Investment Agreement.
- The financing of the Takeover Offer has been confirmed by a corresponding financing confirmation pursuant to sec. 13 para. 1 WpÜG.
- Neither the Investor nor ADNOC have taken any act, including making any public statement which clearly contradicts its intention to fulfil its obligations provided for by the Investment Agreement.
- No Superior Offer (as defined in sec. 6.2.4 of this Statement) has been launched or the Bidder has matched such more beneficial terms of the Superior Offer within ten Business Days following the publication of the offer document relating to such Superior Offer (as described in sec. 6.2.4 of this Statement).
- When complying with the aforementioned obligations, the members of the Management Board and, as applicable, the members of the Supervisory Board, do not, in their reasonable view, through any actions or omissions violate their duties under applicable law, including any obligations of the members of the Management Board and, as applicable, the Supervisory Board, to observe their duty of care and fiduciary duty towards Covestro, including their obligations under sec. 27 WpÜG or secs. 93, 116 AktG.

Furthermore, the parties have agreed in the Investment Agreement to cooperate in connection with the Takeover Offer within the bounds of what is legally permissible, in particular, coordinating on press releases that are issued in relation to the Transaction as well as cooperation with respect to obtaining regulatory approvals.

6.2.3 Management and future cooperation

Subject in particular to applicable law and the fiduciary duties of the members of the Management Board, Covestro has also undertaken in the Investment Agreement, until Closing or – should this condition occur earlier – the termination of the Investment Agreement, to conduct its business in the ordinary course in accordance with past practice in a reasonable and prudent manner and, in particular, not to take certain actions such as increasing its share capital or issuing convertible bonds. This also includes the undertaking of not proposing to the general meeting or otherwise supporting a dividend distribution, including a special dividend (*Sonderdividende*), whereby this obligation only applies to dividend distributions in the period up to Closing or – should these conditions occur earlier – the Long Stop Date (as defined in sec. 3 of the Offer Document) or the termination of the Investment Agreement.

6.2.4 Competing offer

The Investment Agreement also governs the treatment of any Competing Offer. In this context, Covestro has undertaken not to solicit any Competing Offer. Notwithstanding the above, Covestro, the Management Board and the Supervisory

Board are entitled to engage and negotiate with a third party including providing them with information, if such third party submits or intends to submit an offer that may result in an offer which, if taking into account all elements of the offer, in the reasonable view of the Management Board provides for terms not insignificantly more beneficial for Covestro and its stakeholders than the Takeover Offer ("**Superior Offer**"). In case a fully financed (certain funds) Superior Offer has been launched by a third party and the Bidder has not amended the Takeover Offer to match the terms and conditions of such Superior Offer within ten Business Days following the publication of the offer document relating to such Superior Offer, the Management Board and the Supervisory Board are entitled to fully support the Superior Offer, including by issuing a recommendation in their reasoned statement to accept the Superior Offer or to tender Covestro Shares into the Superior Offer.

6.2.5 Term of the Investment Agreement

The Investment Agreement has a fixed term until 31 December 2028. In certain cases, extraordinary termination rights exist, for example in the event of a breach of material provisions of the Investment Agreement or if the Takeover Offer fails.

6.3 Intentions of the Investor

Under sec. 9 of the Offer Document, the Investor's intentions, i.e., the intentions of the Bidder and its indirect sole shareholder ADNOC International, are described. None of the Bidder, ADNOC International or any other Bidder Parent Companies has, according to sec. 9 of the Offer Document, any intentions within the meaning of sec. 11 para. 2 sent. 3 no. 2 WpÜG which go beyond the intentions described in secs. 9.1 to 9.8 of the Offer Document. The intentions described in secs. 6.3.1 to 6.3.7 of this Statement are to a large degree based on and therefore include the obligations pursuant to the Investment Agreement.

6.3.1 Future business activity, assets and future obligations of Covestro

(i) Undertaking to support the Business Strategy

According to sec. 9.1.1 of the Offer Document and in line with the Investment Agreement, the Investor acknowledges that Covestro pursues a well-defined and successful business strategy, including the "Sustainable Future" strategy and Covestro's vision to become fully circular (*Kreislaufwirtschaft*) ("**Business Strategy**"; business plans prepared in line with the Business Strategy are referred to herein as the "**Business Plan(s)**"). The Investor has undertaken in the Investment Agreement to support Covestro's current Business Strategy and Business Plan, including their respective implementation, and not to take or support any measures targeting at changing the current Business Strategy and Business Plan.

The Investor has also undertaken in the Investment Agreement and consequently the Bidder intends to act in accordance with the general allocation of responsibilities in a German stock corporation (*Aktiengesellschaft*) and to refrain from initiating, causing, effecting or supporting actions that would prevent or restrict the Management Board from the full implementation of the Business Strategy and Business Plan, including with respect to the allocation of funds to projects, it being understood that such projects may be subject to the approval of the

Supervisory Board or the newly established Investment Sub-Committee (as defined in sec. 6.3.6(ii) of this Statement).

As also described in sec. 9.1.1 of the Offer Document and as agreed in the Investment Agreement, it is the joint understanding of the parties and the Bidder's intention that any M&A transactions consistent with the five key strategic development paths of the Company (i.e., (i) redefining MDI leadership and accelerating MDI organic growth, (ii) developing a multi-material engineering plastics platform, (iii) growing coatings and adhesives and niche businesses, (iv) building a digital chemical powerhouse and (v) promoting large-scale circular economy solutions) may be carried out by Covestro or another company of the Covestro Group as acquiring entity, provided that the Management Board, subject to the consent rights of the Supervisory Board or the Investment Sub-Committee to be newly established (as described in sec. 6.3.6(ii) of this Statement), has decided to carry out the M&A transaction. Should there be any strategic overlaps with other platform activities of the Investor, the parties will and the Bidder intends to enter into good faith discussions on how to proceed in order to find an amicable solution for the most suitable platform for the specific M&A transaction.

(ii) Indebtedness; refinancing of existing liabilities

As described in sec. 9.1.2 of the Offer Document and set out in the Investment Agreement, the Investor has undertaken in the Investment Agreement and consequently the Bidder intends not to take or support any actions which would increase the current debt of the Covestro Group to an extent that would, in the reasonable opinion of Covestro, limit Covestro or any other entity of the Covestro Group to pursue or implement the Business Strategy and the Business Plan. In the Investment Agreement, the Investor also undertakes and consequently the Bidder intends not to take or support any measures that would lead to the withdrawal, reallocation or other use of funds of the Covestro Group (including, but not limited to, the distribution of dividends or the conclusion of contracts) that are, in the view of the Management Board dedicated, required or useful to pursue or implement the Business Strategy and Business Plan. With regard to Covestro's undertaking not to propose to the general meeting a dividend distribution, reference is made to sec. 6.2.3 of this Statement.

As set out in the Offer Document and as agreed in the Investment Agreement, the Investor will also and consequently the Bidder intends to make available to Covestro, or at the request of Covestro, to another company of the Covestro Group, the required funds, or procure the availability thereof, to refinance Covestro Group's credit lines or other financial liabilities that may become due as a result of change of control clauses that are triggered by the Takeover Offer, each at the same or better terms than the existing facilities. Furthermore, the Offer Document and the Investment Agreement stipulate that neither Covestro nor any other entity of the Covestro Group will be under any obligation to utilize such funds.

(iii) Additional Equity Funding

As described in sec. 9.1.3 of the Offer Document and as set forth in the Investment Agreement, the Investor has undertaken in the Investment Agreement and consequently the Bidder intends to make available the Additional Equity Funding to Covestro, as described in sec. 3.8 of this Statement, with a view to supporting Covestro in pursuing its Business Strategy. On 1 October 2024, the Management Board and the Supervisory Board passed framework resolutions (*Grundsatzbeschlüsse*) in relation to the Capital Increase, which provide that the New Shares will be issued to the Bidder based on the existing authorisation pursuant to sec. 4 para. 2 of Covestro's Articles of Association against cash consideration and the simplified exclusion of any subscription rights of any remaining minority shareholders of Covestro pursuant to sec. 186 para. 3 sent. 4 AktG. The Capital Increase is intended to become effective in connection with Closing or shortly thereafter. In the Investment Agreement, the Investor has undertaken and consequently the Bidder intends to subscribe for the New Shares, provided that the subscription price per New Share shall correspond to, but in no case exceed, the Offer Price, taking into account any increases in the Offer Price. Only in the event that the Capital Increase cannot be implemented with a view to the mandatory requirements under sec. 186 para. 3 sent. 4 AktG for the exclusion of any subscription rights of any remaining minority shareholders, the Investor has undertaken in the Investment Agreement and consequently the Bidder intends to make available the Additional Equity Funding to Covestro, at Covestro's request, by way of a shareholder loan in compliance with arm's length terms (*drittübliche Konditionen*) at the relevant time, instead of the Capital Increase.

According to the information in the Offer Document and as set out in the Investment Agreement, the parties have agreed and consequently the Bidder intends that the Management Board may use the funds from the Additional Equity Funding in its sole discretion, subject to any consent rights of the Supervisory Board, including the newly established Investment Sub-Committee (as described in sec. 9.6.2 of the Offer Document). The Investor has agreed and, in line with the Investment Agreement the Bidder intends, not to take or support any action that could prevent or restrict the Management Board from making such use of the funds.

Beyond the Additional Equity Funding, the Investor is, as set out in the Offer Document, obligated under the Investment Agreement and consequently it is the Bidder's intention, upon written request by the Management Board setting forth Covestro's intention with respect to an investment opportunity beyond the Business Plan, to enter into discussions with the Management Board in which it will consider (i) the pros and cons of the respective measure for the Covestro Group, (ii) the applicable investment criteria and (iii) whether it will provide the necessary and specified funds to finance this investment opportunity to Covestro or – at the request of Covestro – to another company of the Covestro Group, in good faith.

6.3.2 Locations, business continuity and integrity of the Covestro Group

As described in sec. 9.2 of the Offer Document and set forth in the Investment Agreement, the Investor values Covestro's presence in the downstream markets of its business and its vertical integration in both polyurethanes and polycarbonates and acknowledges that the current setup and structure of Covestro is a pillar for the continued success of Covestro. In that context, the Investor has undertaken in the Investment Agreement and the Bidder correspondingly intends:

- not to initiate, cause, procure or support a change in the legal form of Covestro as a stock corporation (*Aktiengesellschaft*) under German law;
- not to initiate, cause, procure or support a relocation of Covestro's registered seat (*Satzungssitz*) or headquarters from Leverkusen, Germany;
- not to initiate, cause, procure or support a change in the organisational business structure of the Covestro Group and, in particular not to initiate, cause or procure (i) a sale of all or part of Covestro's business to a third party or (ii) a liquidation of Covestro;
- not to initiate, cause, procure or support a closure, relocation, significant reduction or change of Covestro's business operations, including the existing research and development operations such as the planned "Innovation Center" in Leverkusen, Germany; and
- to ensure, together with Covestro, that agreements between companies of the Covestro Group and companies affiliated with the Investor within the meaning of secs. 15 et seq. AktG are concluded at arm's length.

According to the Offer Document, the Bidder does, furthermore, not intend to cause the relocation of material parts of the business of Covestro. The Bidder and the Bidder Parent Companies do not have any further intentions with regard to the seat or the location of substantial operations (*Sitz oder Standort wesentlicher Unternehmensteile*) of Covestro. However, the Investment Agreement does not prevent Covestro itself from taking such measures if, in the future, the Management Board deems it appropriate.

6.3.3 Employees

According to the information provided in sec 9.3 of the Offer Document and as also set out in the Investment Agreement, the Investor acknowledges that the passion and expertise of Covestro Group's workforce are key pillars of the Covestro Group's success in executing its strategy and expressly views the Transaction as an opportunity for growth and development also for the employees of the Covestro Group, and not as an opportunity to reduce costs to the detriment of the employees of the Covestro Group. In the Investment Agreement, the Investor also recognises that the execution of the Business Strategy and the Transaction depends on the expertise and continued commitment of the Covestro Group's workforce. In the Offer Document, the Investor furthermore acknowledges that, in case of a potential delisting offer (see sec. 6.3.7(ii) of this Statement), successor programs must be implemented to replace existing share-based remuneration programs.

According to the information provided in sec. 9.3 of the Offer Document and as also set out in the Investment Agreement, the Investor intends to support the

Management Board in continuing and further strengthening the dialogue with all employees of the Covestro Group as well as in maintaining and developing an attractive and competitive framework to attract, continuously develop and retain a best-in-class global workforce.

In the Investment Agreement, the Investor has undertaken and consequently the Bidder intends not to initiate, cause, procure or support any actions with the following objectives, whereby Covestro and the Investor agree that all actions and measures of the Management Board remain permissible subject to its respective fiduciary duties and responsibilities:

- the amendment or termination of existing works council agreements (*Betriebsvereinbarungen*), collective bargaining agreements (*Tarifverträge*) or similar agreements (including speaker committee agreements (*Sprecherausschussvereinbarungen*)) at Covestro Group;
- any change, infringement or reduction of the rights of employees, works councils (*Betriebsräte*) and similar employee representation panels at Covestro Group, including the current structures established in connection therewith;
- a change of the existing pension plans or similar commitments for active and former employees existing as of Closing; also, the then current funding status of these plans and commitments shall be upheld;
- an exit from the employers' associations (*Arbeitgeberverbände*); and
- terminations of employee relationships for operational reasons (*betriebsbedingte Kündigungen*).

6.3.4 Trademarks, intellectual property

As described in sec. 9.4 of the Offer Document and as also set out in the Investment Agreement, the Investor acknowledges that the Covestro Group owns several strong and unique brands with a high degree of brand awareness by the chemical industry, customers and other stakeholders.

In the Investment Agreement, the Investor has undertaken and consequently the Bidder intends (i) not to initiate, cause, procure or support any actions targeting a change of Covestro's corporate name and (ii) to maintain Covestro Group's brands in the best interest of Covestro, its customers, suppliers and all other stakeholders.

According to sec. 9.4 of the Offer Document and as also set forth in the Investment Agreement, the Investor fully respects the leading intellectual property of Covestro and acknowledges that it will remain with and be used by Covestro and other companies of the Covestro Group. Against this background, the Investor has undertaken in the Investment Agreement not to initiate, cause, procure, or support any actions targeting the sale or transfer of any of the Covestro Group's intellectual property to a person or entity outside of the Covestro Group, whereby in this context the Investor or its affiliated companies are also considered to be "outside of the Covestro Group". The Investor confirms that decisions regarding the licensing of intellectual property held by the Covestro Group to the Investor, a company affiliated with the Investor or third parties remain the sole responsibility of the Management Board, which will act in the best interest of Covestro when making such decisions.

According to the information in the Offer Document, the Investor is committed to support Covestro in retaining and further enhancing intellectual property leadership in all relevant fields.

6.3.5 Management Board

As described in sec. 9.5 of the Offer Document, the Investor acknowledges the impressive achievement, experience, expertise and reputation of, and has the utmost trust and confidence in, the current members of the Management Board. Accordingly, the Investor intends, as stated in the Offer Document, for the current Management Board to continue to manage Covestro and execute the Business Strategy. As stated in the Offer Document, the Investor does not intend to initiate, and has no intention to otherwise cause, procure or support, any action targeting the removal of any of the current members of the Management Board, the termination of any corresponding service agreement or the appointment of additional members to the Management Board. These intentions of the Investor are underscored by corresponding undertakings of the Investor in the Investment Agreement that the current members of the Management Board shall continue to manage Covestro and to set and execute the Business Strategy and Business Plan, and not to take any action aiming at changing the general composition of the Management Board or, during the term of the respective appointment periods, the actual composition of the Management Board. According to the Offer Document, the Investor furthermore intends to support the Management Board in implementing and further developing the Business Strategy.

6.3.6 Supervisory Board, Investment Sub-Committee

(i) Supervisory Board

According to sec. 9.6.1 of the Offer Document and as agreed in the Investment Agreement, the Supervisory Board shall continue to be co-determined in accordance with applicable law. It shall continue to consist of twelve members in accordance with applicable law, i.e., it shall have six members to be elected by the shareholders and six members to be elected by the employees. In the Investment Agreement, the Investor has undertaken and consequently the Bidder intends not to initiate, cause, procure or support any change of the size of the Supervisory Board. According to the information in sec. 9.6.1 of the Offer Document and as also set out in the Investment Agreement, the Investor acknowledges the rules of the German Co-Determination Act (*Mitbestimmungsgesetz*) and confirms the importance of the stability of the Supervisory Board composition and the continuity of its work for Covestro's success.

According to the statements made by the Bidder in sec. 9.6.1 of the Offer Document, the Investor shall be, and it is the Bidder's intention to be, represented on the Supervisory Board with four representatives ("**Investor SB Representatives**") following Closing. As set out in the Offer Document and as provided for in the Investment Agreement, two of the shareholder representatives on the Supervisory Board shall be independent of the Investor ("**Independent SB Members**"). According to the Offer Document and as set out in the Investment Agreement, subject to the responsibilities and fiduciary duties of the Supervisory Board, the Independent SB Members

shall be selected by, and be appointed on the basis of, a binding recommendation of the incumbent Independent SB Members at the relevant time. According to the information in the Offer Document and as set out in the Investment Agreement, the respective candidates, who may also come from the group of incumbent members of the Supervisory Board, shall be independent from the Investor within the meaning of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex*), have a sufficient understanding of Covestro's business, and have sufficient experience in managing (as a member of the management board) a large, listed company. At least one of the Independent SB Members shall have gained this experience from a comparable position in a DAX40 or MDAX company. The Investor has undertaken to remove the Independent SB Members only for good cause. In addition, Covestro and the Investor undertake to cooperate such that one of the Investor SB Representatives will be elected as chairperson of the Supervisory Board.

In the Investment Agreement, the Investor has further undertaken and consequently the Bidder intends not to initiate, cause, procure or support any actions targeting at changing (A) the currently applicable reserved matters (*zustimmungspflichtige Geschäfte*) of the Supervisory Board as set forth in sec. 8 of the current rules of procedure of the Management Board (subject to the introduction of the Investment Sub-Committee, as defined below in sec. 6.3.6(ii) of this Statement) or (B) the allocation of responsibilities within the Management Board.

(ii) Investment Sub-Committee

As described in sec. 9.6.2 of the Offer Document, the parties have undertaken in the Investment Agreement and consequently the Bidder intends to cooperate in establishing, after Closing and once the Investor SB Representatives have been appointed, a sub-committee (*Ausschuss*) of the Supervisory Board that advises and supervises the Management Board regarding certain investment decisions ("**Investment Sub-Committee**"). As described in sec. 9.6.2 of the Offer Document, the Investment Sub-Committee shall consist of four members, of whom two shall be Investor SB Representatives and two shall be employee representatives. One of the Investor SB Representatives shall be the chairperson of the Investment Sub-Committee and have a casting vote in the event of a tie. Additionally, one Independent SB Member shall be permitted to take part in the meetings and discussions of the Investment Sub-Committee as a guest without voting rights. According to the information provided by the Bidder in the Offer Document and the corresponding provisions in the Investment Agreement, the Management Board shall (i) require the approval of the Investment Sub-Committee in relation to (A) large financial commitment capex projects whose volumes exceed EUR 200 million ("**Large Capex Projects**") and (B) M&A transactions whose volumes exceed EUR 100 million, and (ii) inform the Supervisory Board about Large Capex Projects before submitting them for approval to the Investment Sub-Committee (insofar as the Supervisory Board has not been informed about such project in advance). In relation to M&A transactions, which have been approved by the Investment Sub-

Committee, an additional approval of the full Supervisory Board will be required.

6.3.7 Structural measures

(i) Excluded measures

As stated in sec. 9.7.1 of the Offer Document, the Investor has undertaken in the Investment Agreement and vis-à-vis the Covestro Shareholders and consequently the Bidder intends, for the term of the Investment Agreement, i.e., until 31 December 2028, not to initiate, cause, procure or support any actions targeting:

- (a) a change of Covestro's corporate objectives (*Unternehmensgegenstand*);
- (b) the entering into a domination and/or profit and loss transfer agreement within the meaning of secs. 291 et seqq. AktG (*Beherrschungs- und Gewinnabführungsvertrag* – “DPLTA”);
- (c) a measure under the German Transformation Act (*Umwandlungsgesetz* – “UmwG”) involving Covestro or Covestro Group, with the exception of the measures described in sec. 6.3.7(ii) lit. (b) of this Statement;
- (d) a dissolution (*Auflösung*), liquidation (*Liquidation*) or an integration pursuant to secs. 319 et seqq. AktG

(the DPLTA and the other measures, subject to the exemption in sec. 6.3.7(i) lit. (c) of this Statement, the “**Excluded Measures**”).

(ii) Delisting and squeeze-out

According to sec. 9.7.2 of the Offer Document, the Investor intends, provided that the Bidder achieves any required shareholding after Closing, or at any future date, and subject to prevailing market conditions and regulatory framework at the time and hence if commercially reasonable, to evaluate whether to initiate:

- (a) a delisting of the Covestro Shares from trading in the regulated market (*Regulierter Markt*) with additional listing obligations (*Prime Standard*) of the Frankfurt Stock Exchange (“**Delisting**”); and/or
- (b) a squeeze-out of remaining minority shareholders pursuant to secs. 327a et seqq. AktG (*aktienrechtlicher Squeeze-out*) or sec. 62 para. 5 UmwG (*umwandlungsrechtlicher Squeeze-out*).

In the Investment Agreement, it has been agreed that, subject to its fiduciary duties, the Management Board shall support, and work towards the goal that the Supervisory Board supports, a Delisting or a squeeze-out of the remaining minority shareholders, if so requested by the Investor. This commitment by the Management Board is subject to the Investor complying with certain specific obligations under the Investment Agreement, including, inter alia, to make available the Additional Equity Funding (as described in secs. 3.8 and 6.3.1(iii) of this Statement) as well as the obligation to discuss investment opportunities (as described in sec. 6.3.1(iii) of this Statement) or

potential M&A Transactions where there is a strategic overlap (as described in sec. 6.3.1(i) of this Statement). In addition, the Investment Agreement requires that two Independent SB Members (as described in sec. 6.3.6(i) of this Statement) continue to serve on the Supervisory Board in accordance with the terms of the Investment Agreement also following a potential Delisting or squeeze-out.

6.3.8 Intentions with regard to the business activities of the Bidder and the Bidder Parent Companies

According to sec. 9.8 of the Offer Document, the Bidder and the Bidder Parent Companies have – except for the effects on the assets, financial position and results of the Investor set forth in sec. 15 of the Offer Document and the consequences described in secs. 8 and 9 of the Offer Document (in particular sec. 9.2 of the Offer Document) – no intentions which could have an effect on the registered office or the location of material parts of their business, their business activities, the use of the assets or future obligations of the Bidder and the Bidder Parent Companies, the members of the boards of the Bidder and the Bidder Parent Companies, or the employees, their representation and the employment conditions of the Bidder and the Bidder Parent Companies.

6.4 Assessment of the Bidder's intentions and the prospective consequences for Covestro

The Management Board and the Supervisory Board have each separately and independently of one another duly and thoroughly assessed the agreements with the Investor as well as the intentions of the Bidder stated in the Offer Document. This assessment was to a large extent carried out prior to the publication of the Offer Document, since the intended measures and objectives as well as the described undertakings of the Investor had already been agreed to a material extent in the Investment Agreement following diligent negotiations.

The Management Board and the Supervisory Board expressly welcome the fact that, in concluding the Investment Agreement with Covestro, the Investor has provided a reliable and viable basis for a future cooperation. This creates the clarity and orientation required for the future cooperation.

The Management Board and the Supervisory Board are of the opinion that the intentions expressed in the Offer and their possible consequences are beneficial for the Company and its business activities and, therefore, support them.

6.4.1 Economic and strategic background of the Offer

The Management Board and the Supervisory Board welcome the Investor's assessment of the economic and strategic background of the Transaction. They particularly welcome the Investor's economic and strategic motives to support Covestro in implementing its Business Strategy, including the "Sustainable Future Strategy" and the vision of fully embracing the circular economy, as well as Covestro's further strategic development and to strengthen Covestro's position as one of the world's leading manufacturers of high-quality polymer materials, in both Performance Materials as well as in Solutions & Specialties segments.

The Management Board and the Supervisory Board recognise the intention set out by the Investor in the Investment Agreement that the Transaction is a key pillar of ADNOC International's growth strategy to become a top 5 global chemicals player and welcome that Covestro shall become the foundational platform for ADNOC International's performance materials and specialty chemicals & solutions business.

The Management Board and the Supervisory Board consider it convincing that ADNOC International, due to its scale and capabilities, is ideally placed to ensure an outstanding future for Covestro and its stakeholders, including its employees. The Management Board and the Supervisory Board also share ADNOC International's belief that embracing the circular economy and decarbonisation are core objectives and welcome that ADNOC International is keen to make significant investments to support Covestro's Business Strategy and Business Plan developed in line with it.

6.4.2 Future business activities, assets and future obligations of Covestro

The Management Board and the Supervisory Board welcome that the Investor – in view of the fact that one of the key objectives in the negotiations for the Investment Agreement was that the Investor, in addition to supporting Covestro's Business Strategy and Business Plan, including their implementation – has undertaken not to take or support any action that would aim at changing the current Business Strategy and the Business Plan or that would restrict the pursuit or implementation of the Business Strategy and Business Plan.

The Management Board and the Supervisory Board consider it positive in this context that the Investor has undertaken and the Bidder consequently intends to act in accordance with the general allocation of responsibilities in a German stock corporation (*Aktiengesellschaft*) and not to initiate, cause, procure or support any actions which would prevent or restrict the Management Board to fully implement the Business Strategy and Business Plan. This intention reflects the mandatory provisions of the AktG, according to which the management board must manage the company diligently under its own responsibility.

Further, the Management Board and the Supervisory Board view it positive, that the Investment Agreement stipulates that the parties agree and the Bidder consequently intends that any M&A transactions that are consistent with the five key strategic development paths of Covestro (i.e., (i) redefining MDI leadership and accelerating MDI organic growth, (ii) developing a multi-material engineering plastics platform, (iii) growing coatings and adhesives and niche businesses, (iv) building a digital chemical powerhouse and (v) promoting large-scale circular economy solutions) may in principle be carried out by Covestro or another company of the Covestro Group as acquiring entity.

Of particular importance to the Management Board and the Supervisory Board are also the Investor's undertakings as well as the intentions of the Bidder expressed in the Offer Document regarding the financing of Covestro in accordance with the Investment Agreement.

In this context, the Management Board and the Supervisory Board welcome the acknowledgement of the Investor in the Investment Agreement that Covestro may need to refinance credit lines or other financial liabilities of the Covestro Group that may become due as a result of change of control clauses that are triggered by the Takeover Offer. In this regard, the Management Board and the Supervisory Board

consider it as very positive that the Investor has undertaken in the Investment Agreement and the Bidder consequently intends to provide the Covestro Group with the financial assistance described in sec. 9.1.2 of the Offer Document and sec. 6.3.1(ii) of this Statement and to ensure that the Covestro Group is provided with it under the terms and conditions set forth therein.

Furthermore, the Management Board and the Supervisory Board expressly welcome that the Investor has undertaken in the Investment Agreement and the Bidder consequently intends, as described in sec. 9.1.3 of the Offer Document and sec. 6.3.1(iii) of this Statement, to provide the Additional Equity Funding to Covestro with a view to supporting Covestro in pursuing its Business Strategy. From the perspective of the Management Board and the Supervisory Board, it is also essential in this context that the Investment Agreement stipulates that the Management Board may use the funds from the Additional Equity Funding in its sole discretion, subject to any consent rights of the Supervisory Board, including the Investment Sub-Committee to be newly established (as described in sec. 6.3.6(ii) of this Statement), and that the Investor has agreed and the Bidder consequently intends not to take or support any action that could prevent or restrict the Management Board from making such use of the funds.

6.4.3 Locations, business continuity and integrity of the Covestro Group

The Management Board and the Supervisory Board share the Investor's view regarding the importance of Covestro's downstream presence and vertical integration in both polyurethanes and polycarbonates and note positively that the Investor acknowledges that the current setup and structure of Covestro is a pillar for the continued success of Covestro.

In this context, the Management Board and the Supervisory Board expressly welcome that the Investor has undertaken in the Investment Agreement, and the Bidder correspondingly intends (i) not to initiate, cause, procure or support any change in legal form, (ii) not to initiate, cause, procure or support any relocation of Covestro's registered seat (*Satzungssitz*) or headquarters, (iii) not to initiate, cause, procure or support any change in the organisational business structure and (iv) not to initiate, cause, procure or support any closure, relocation, significant reduction or change of Covestro's or the Covestro Group's business operations, including the existing research and development operations such as the planned "Innovation Center" in Leverkusen, Germany, and (v) to ensure, together with Covestro, that agreements between companies of the Covestro Group and companies affiliated with the Investor within the meaning of secs. 15 et seqq. AktG are concluded at arm's length terms.

Further, the Management Board and the Supervisory Board welcome that the Bidder does not intend to cause the relocation of material parts of the business of Covestro, and that the Bidder and the Bidder Parent Companies do not have any further intentions with regard to the seat or the location of substantial operations (*Sitz und Standort wesentlicher Unternehmensteile*) of Covestro.

6.4.4 Employees

The Management Board and the Supervisory Board expressly welcome that the Investor acknowledges in the Investment Agreement that the passion and expertise of the Covestro Group's workforce are key pillars of Covestro Group's success in

executing the strategy and expressly views the Transaction as an opportunity for growth and development also for the employees of the Covestro Group, and not as an opportunity to reduce costs to the detriment of the employees of the Covestro Group. The Management Board and the Supervisory Board also welcome that the Investor acknowledges in the Investment Agreement that the execution of the Business Strategy and the Transaction depends on the expertise and continued commitment of Covestro Group's workforce.

In this context, the Management Board and the Supervisory Board share the Investor's view that it is important to continue and further strengthen the dialogue with all Covestro Group employees and to create as well as maintain and develop an attractive and competitive framework to attract, continuously develop and retain a best-in-class global workforce.

During the negotiations for the Investment Agreement, it was very important to the Management Board and the Supervisory Board that the Investor would make precise statements regarding the terms of employment of Covestro Group employees. The Management Board and the Supervisory Board therefore expressly welcome that the Investor has undertaken in the Investment Agreement and the Bidder consequently intends not to initiate, cause, procure or support any actions targeting:

- the amendment or termination of existing works council agreements (*Betriebsvereinbarungen*), collective bargaining agreements (*Tarifverträge*), or similar agreements (including speaker committee agreements (*Sprecherausschussvereinbarungen*)) at Covestro Group;
- any change, infringement or reduction of the rights of employees, works councils (*Betriebsräte*) and similar employee representation panels at Covestro Group, including the current structures established in connection therewith;
- a change of the existing pension plans or similar commitments for active and former employees existing as of Closing; also, the then current funding status of these plans and commitments shall be upheld;
- an exit from the employers' associations (*Arbeitgeberverbände*); and
- terminations of employee relationships for operational reasons (*betriebsbedingte Kündigungen*).

The Management Board and the Supervisory Board also welcome that the Investor acknowledges that, in case of a potential delisting offer (see sec. 6.3.7(ii) of this Statement), successor programs must be implemented to replace existing share-based remuneration programs.

The Management Board and the Supervisory Board each therefore assume that the implementation of the Transaction will not have any adverse effects on the employees of the Covestro Group with regard to their employment contracts, work conditions and pension commitments. Furthermore, the Management Board and the Supervisory Board each assume that the Closing will not have any effects on the employee representative bodies, in particular the works councils, of the Covestro Group.

6.4.5 Trademarks, intellectual property

The Management Board and the Supervisory Board welcome that the Investor correctly assesses that the Covestro Group owns several strong and unique brands with a high degree of brand awareness by the chemicals industry, customers and other stakeholders and intends to support Covestro in retaining and further expanding its leading intellectual property in all relevant areas.

In this context, the Management Board and the Supervisory Board considered it very important that the Investor has undertaken in the Investment Agreement, and, therefore, they welcome that the Bidder consequently intends (i) not to initiate, cause, procure or support any actions aiming at changing Covestro's corporate name and (ii) to maintain Covestro Group's brands in the best interest of Covestro and its customers, suppliers and all other stakeholders, and (iii) not to initiate, cause, procure or support any actions targeting the sale or transfer of Covestro Group's intellectual property to a person or entity outside of the Covestro Group.

The Management Board and the Supervisory Board also welcome that the Investor has bindingly confirmed in the Investment Agreement that decisions regarding the licensing of intellectual property held by the Covestro Group to the Investor, a company affiliated with the Investor, or third parties remain the sole responsibility of the Management Board.

6.4.6 Management Board

The Management Board and the Supervisory Board welcome that the Investor acknowledges the impressive achievement, experience, expertise, and reputation of, and has utmost trust and confidence in, the current members of the Management Board.

The Management Board and the Supervisory Board also welcome that the current Management Board shall continue to manage Covestro and execute the Business Strategy, and that the Investor does not intend to initiate, and has no intention to otherwise support, any action targeting the removal of any of the current members of the Management Board, the termination of any corresponding service agreement or the appointment of additional members to the Management Board.

The Management Board and the Supervisory Board expressly welcome that the Investor has undertaken in the Investment Agreement that the current members of the Covestro Management Board shall continue to manage Covestro and to set and execute the Business Strategy and the Business Plan, and not to take any action aimed at changing the general composition of the Management Board or, during the term of the respective appointment periods, the actual composition of the Management Board.

Finally, the Management Board and the Supervisory Board consider it positive that, as set out in the Investment Agreement, the Investor intends to support the Management Board in implementing and further developing the Business Strategy.

6.4.7 Supervisory Board, Investment Sub-Committee

The Management Board and the Supervisory Board also regard it as positive that the Investor acknowledges that the stability of the Supervisory Board composition and the continuity of its work are important for the success of Covestro.

The Management Board and the Supervisory Board therefore deem it important that the Investor acknowledged in the Investment Agreement that the Supervisory Board shall continue to be co-determined in accordance with applicable law and that the Supervisory Board shall continue to consist of twelve members in accordance with applicable statutory provisions, i.e., it shall have six members to be elected by the shareholders and six members to be elected by the employees.

In view of the significant investment and shareholding intended at by the Investor, the Management Board and the Supervisory Board consider it reasonable and also customary in comparable transactions that the Investor shall be, and the Bidder intends to be, represented by four representatives on the Supervisory Board after Closing. In addition, Covestro and the Investor have undertaken in the Investment Agreement to cooperate that one of the Investor SB Representatives shall be elected as chairperson of the Supervisory Board. Also, the intention to appoint the chairperson of the Supervisory Board is reasonable in the view of the Management Board and the Supervisory Board given the significant investment and shareholding intended at by the Investor.

In this context, the Management Board and the Supervisory Board very much welcome that the Investor has undertaken to ensure that two of the shareholder representatives on the Supervisory Board are independent of the Investor. In this context, the Management Board and the Supervisory Board also approve of and, in view of the requirements for the role as a Supervisory Board member, consider it appropriate that the Investment Agreement places certain requirements on the Independent SB Members. The respective candidates, who may also come from among the current Supervisory Board members, shall be independent from the Investor within the meaning of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex*), have a sufficient understanding of Covestro's business, and have sufficient experience in managing (as a member of the management board) a large, listed company. The Management Board and the Supervisory Board also expressly welcome that the Investor has undertaken to remove the Independent SB Members only for good cause.

In addition, the Management Board and the Supervisory Board consider it positive that the Investor has also undertaken and the Bidder consequently intends, as stated in the Investment Agreement, not to initiate, cause, procure or support any actions aiming at changing the currently applicable reserved matters (*zustimmungspflichtige Geschäfte*), i.e., transactions that require the approval of the Supervisory Board or the allocation of responsibilities within the Management Board.

Furthermore, the Management Board and the Supervisory Board consider the appointment of the Investment Sub-Committee as agreed in the Investment Agreement and the provision that the chair of the Investment Sub-Committee shall be taken by an Investor SB Representative, combined with a casting vote in the event of a tie, to be economically justified and reasonable in view of the financial support promised by the Investor in the Investment Agreement.

In this context, the Management Board and the Supervisory Board also note positively that two of the four members of the Investment Sub-Committee should be employee representatives and that an Independent SB Member shall be permitted to take part in the meetings and discussions of the Investment Sub-Committee as a guest without voting rights.

6.4.8 Structural measures

The Management Board and the Supervisory Board consider it very important that the Investor has undertaken in the Investment Agreement and vis-à-vis the Covestro Shareholders and that the Bidder consequently intends, not to initiate, cause, procure or support any of the Excluded Measures during the term of the Investment Agreement, i.e., until 31 December 2028.

In particular, the Management Board and the Supervisory Board welcome that the Investor has undertaken in the Investment Agreement and the Bidder consequently intends, not to enter into a DPLTA. This ensures that the Management Board will continue to be solely responsible for managing the business without a controlling company being authorised to issue instructions.

The Management Board and the Supervisory Board acknowledge that if, upon Closing or at any other time in the future, the Investor holds a number of Covestro Shares that a shareholder of a stock corporation (*Aktiengesellschaft*) must hold to carry out a squeeze-out, the Investor intends, subject to the market conditions prevailing at the time and the respective regulatory framework and only to the extent that it appears commercially reasonable at the relevant time, to evaluate the implementation of a squeeze-out of the outside Covestro Shareholders under stock corporation law (*aktienrechtlicher Squeeze-out*) or under merger law (*umwandlungsrechtlicher Squeeze-out*). Under the described conditions, the Management Board and the Supervisory Board consider the evaluation of such a measure to be reasonable and also economically justified. Trading in Covestro Shares might no longer be sufficiently liquid if the Bidder reaches a level of shareholding entitling it to carry out a squeeze-out. The outside Covestro Shareholders are also protected by the legal provisions applicable to such structural measures regarding adequate cash compensation and legal remedies, in particular the appraisal proceedings (*Spruchverfahren*) by which the offered cash compensation can be reviewed.

Furthermore, the Management Board and the Supervisory Board acknowledge that the Investor intends to consider a Delisting after Closing or at a different future point in time, subject to the market conditions prevailing at that time and the respective regulatory framework and only to the extent that this appears commercially reasonable at the relevant time. The Management Board and the Supervisory Board consider the evaluation of such a measure to be reasonable. After Closing, the free float of Covestro Shares will be significantly lower than today and trading might no longer be sufficiently liquid. It is not unlikely that Covestro will no longer be able to remain a member of the DAX following a successful Closing, since, in particular, the index requirements regarding the free float of Covestro Shares can no longer be guaranteed. The Management Board and the Supervisory Board acknowledge that in the event of a Delisting, the Covestro Shares could lose a significant amount of their liquidity due to a lack of trading in the regulated market as a result of the Delisting. Nevertheless, the outside Covestro Shareholders are protected by the legal provisions applicable to such structural measures regarding the mandatory submission of a public offer, including the applicable minimum price provisions in this context, and corresponding legal remedies.

With regard to a possible withdrawal of the Company from the segment with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange, see sec. 7.2 of this Statement.

For these reasons, the Management Board has agreed in the Investment Agreement, subject to its fiduciary duties and certain conditions as described in sec. 9.7.2 of the Offer Document and sec. 6.3.7(ii) of this Statement, to support a Delisting and/or a squeeze-out and to work towards the Supervisory Board also supporting such a measure.

Please refer to sec. 7.2 of this Statement for information on the possible consequences of the structural measures for Covestro Shareholders.

6.4.9 Intentions with regard to the business activities of the Bidder and the Bidder Parent Companies

The Management Board and the Supervisory Board also take note of the statements made by the Bidder in sec. 9.8 of the Offer Document regarding the future business activities of the Bidder and the Bidder Parent Companies. To the extent that Covestro is affected by this, the Management Board and the Supervisory Board have already expressed their respective views at the respective place in this Statement.

6.4.10 Financial implications on Covestro

The Management Board and the Supervisory Board point out the following implications of the Closing for existing financing agreements of the Covestro Group.

Some of Covestro's debt financing instruments contain change of control clauses. These clauses grant the respective lender additional termination rights, which may be limited by further conditions such as a deterioration in credit rating. This particularly affects the following material financing agreements:

- Covestro's currently issued and listed bonds ((i) the 0.875% bond issued in 2020, maturing in February 2026 and with a nominal volume of EUR 500 million equivalent, (ii) the 1.375% bond issued in 2020, maturing in June 2030 and with a nominal volume of EUR 500 million, and (iii) the 4.75% bond issued in 2022, maturing in November 2028 and with a nominal volume of EUR 500 million) contain customary change of control clauses, according to which the bondholders may demand early repayment in the event of a change of control and subject to the occurrence of certain other conditions.
- Covestro issued promissory note loans in October 2022 with a total volume of approximately EUR 650 million, of which around EUR 391,5 million is still outstanding as of today. The promissory note loans contain customary change of control clauses, according to which the loan creditors can demand early repayment in the event of a change of control and subject to the occurrence of certain other conditions.
- Covestro has been granted a syndicated credit line of EUR 2.5 billion, which can be drawn down until March 2027 and also contains a change of control clause. According to this clause, the lenders may, after having been informed of the change of control, terminate their participation in the syndicated credit line and call in their share of the disbursed amounts, including interest.

- In 2020, 2023 and 2024, Covestro was granted loans from the European Investment Bank totalling approximately EUR 625 million, which can be partially utilized by April 2025 or which have been partially utilised and are to be repaid from September 2025 and which also contain change of control clauses. Accordingly, the European Investment Bank may cancel the unused portion of the loan and demand early repayment including interest after it has been informed of a change of control or, with regard to the loans granted in 2023 and 2024, also if it has been informed of a public disclosure that a change of control is likely to occur.

In all of the above cases, a change of control is to be assumed in particular in the event that more than 50% of the Covestro Shares bearing voting rights are acquired.

It cannot be predicted with certainty whether and to what extent the financing agreements listed under this sec. 6.4.10 of the Statement will be terminated by the bond creditors or the loan creditors in the event of a change of control.

As already stated above in sec. 6.3.1(ii) of this Statement, the Investor has undertaken in the Investment Agreement to provide Covestro, or at Covestro's request, to another company of the Covestro Group, the funds necessary to refinance credit lines or other financial liabilities of the Covestro Group that could become due as a result of termination rights in the event of a change of control triggered by the Takeover Offer, in each case at the same or better conditions than the existing credit lines, or to ensure that these funds are made available at the corresponding conditions.

6.4.11 Implications for material contractual agreements

The Management Board and the Supervisory Board point out that some of Covestro's material contractual agreements contain clauses relating to a change of control. The clauses grant the respective contractual partner additional termination rights, in some cases restricted by further conditions.

This concerns in particular some customer and supply contracts of various Covestro Group companies.

It cannot be predicted with certainty whether and to what extent the material contractual agreements listed in this sec. 6.4.11 of this Statement will be terminated by the contracting parties in the event of a change of control.

6.4.12 Tax implications for Covestro

As of 31 December 2023, the Company had tax loss carryforwards in the amount of approximately EUR 2.64 billion, which originate predominantly from Germany and are essentially split between corporate income tax and trade tax assessments. On the basis of current planning, this amount will increase to EUR 3.98 billion as of 31 December 2024. The increase is also primarily attributable to Germany and includes EUR 646 million in corporate income tax loss carryforwards and EUR 674 million in trade tax loss carryforwards.

The Management Board and the Supervisory Board point out that the settlement of the Takeover Offer could result in the loss of existing loss carryforwards and any current tax losses of the Company and the Covestro Group subsidiaries domiciled in Germany that have arisen in the period up to the settlement of the Takeover Offer,

which would lead to an additional tax burden for the Company in the future. Furthermore, it cannot be ruled out that comparable consequences may also arise for companies of the Covestro Group in other countries.

In addition, there is the risk that the Transaction may trigger real estate transfer tax (*Grunderwerbsteuer*) at the level of the Covestro Group on the real estate located in Germany that is owned by Covestro Group companies. This could occur if, as a result of the Transaction, there is a change in the shareholder composition of individual Covestro Group companies holding real estate in Germany amounting to at least 90% within ten years, or if at least 90% of these shares are consolidated with the Bidder. This real estate transfer tax would likely be incurred at the level of the respective Covestro Group companies.

The Covestro Group falls within the scope of the OECD's Global Anti-Base Erosion Model Rules (GloBE), which have been implemented in Germany by the Minimum Tax Act (*Mindeststeuergesetz*) as of 1 January 2024. The Covestro Group currently does not expect these rules to result in an additional tax burden for the Covestro Group. After the settlement of the Takeover Offer, it is possible that additional taxes will be imposed at the level of the Covestro Group, whereby the calculation of the amount of these taxes by other companies in which the Bidder Parent Companies hold interests (including the Bidder Parent Companies themselves) may be influenced in favour of or to the detriment of the Covestro Group. The exact effects depend, inter alia, on the extent of the acquisition of the voting shares in Covestro by the Bidder and on the amount of the profits and tax expenses of the Bidder Parent Companies, the business units they hold and the Covestro Group, and therefore cannot be quantified at this time.

7 Consequences for the Covestro Shareholders

The following statements are intended to provide Covestro Shareholders with information concerning the assessment of the effects of the acceptance or non-acceptance of the Offer. The following considerations do not claim to be exhaustive. It is the sole responsibility of each Covestro Shareholder to evaluate the effects of an acceptance or non-acceptance of the Offer. The Management Board and the Supervisory Board therefore recommend that each Covestro Shareholder seeks professional advice, where appropriate.

The Management Board and the Supervisory Board further point out that they do not and cannot provide any assessment as to whether Covestro Shareholders, through accepting or not accepting the Offer, may be exposed to possible tax disadvantages (especially any tax liability on capital gains) or if tax benefits could be forfeited. The Management Board and the Supervisory Board recommend that, before deciding to accept or not accept the Offer, Covestro Shareholders should seek tax advice taking into consideration the personal circumstances of the shareholder in question.

7.1 Possible consequences in case of an acceptance of the Offer

Covestro Shareholders intending to accept the Bidder's Offer should, inter alia, consider the following in the light of the statements made above:

- Covestro Shareholders who accept or have accepted the Offer will no longer benefit from a possible positive development of the stock exchange price of the Covestro Shares or a positive business development of the Company and its subsidiaries in the future. On the other hand, Covestro Shareholders who accept or have accepted

the Offer are no longer exposed to the risks that may result from a negative business development of the Company and its subsidiaries.

- With the transfer of the Covestro Shares upon settlement of the Offer, all ancillary rights existing at the time of the settlement, in particular the right to dividends, will also transfer to the Bidder.
- Settlement of the Offer will not occur until all Offer Conditions under which the Offer is made have been satisfied or the Bidder has validly waived their fulfilment. Whether or not the Offer Conditions will be satisfied may presumably become apparent only after the expiry of the Acceptance Period.
- According to the WpÜG, the Bidder is entitled to amend the Offer Price until one working day prior to the expiry of the Acceptance Period.
- A withdrawal from acceptance of the Offer is only possible under the narrow conditions set out in sec. 17 of the Offer Document, and only prior to the expiry of the Acceptance Period. The Tendered Covestro Shares can, according to sec. 13.8 of the Offer Document, only be traded on the stock exchange under the ISIN DE000A40KY26. This may have a significant impact on the trading volumes and liquidity of the Tendered Covestro Shares.
- As the Bidder has stated that the settlement of the Offer may, due to the merger control, foreign investment and EU foreign subsidies control proceedings be delayed until the tenth banking day after 2 December 2025 at the latest, i.e., 17 December 2025, or may not take place at all if the Offer Conditions are not fulfilled, the aforementioned limitations on the trading volume and the liquidity of the Tendered Covestro Shares may apply for a correspondingly long period.
- If the Bidder or a person acting jointly with the Bidder, or their subsidiaries acquire Covestro Shares off the stock exchange within one year after publication of the number of Covestro Shares to which it or they are entitled after the expiry of the Acceptance Period and the number of Covestro Shares resulting from acceptance of the Offer (sec. 23 para. 1 sent. 1 no. 2 WpÜG), and if a higher consideration is paid or agreed to be paid for this purpose than that specified in the Offer, the Bidder is required to pay Covestro Shareholders who have accepted the Offer a consideration in the amount of the respective difference. For acquisitions made off the stock exchange in return for a higher consideration after the expiry of this subsequent acquisition period of one year, there is no such claim for an improvement in the consideration offered under the Offer. Such an improvement claim does neither exist in the cases of share acquisitions in connection with a statutory obligation to grant a compensation to the Covestro Shareholders. Apart from that, the Bidder may purchase Covestro Shares at a higher price on the stock exchange within the aforementioned subsequent acquisition period of one year without having to increase the consideration for the benefit of those Covestro Shareholders who have already accepted the Offer.
- Covestro Shareholders who accept the Offer will not participate in a cash compensation of whatever type that is legally payable in the case of certain structural measures implemented following the settlement of the Offer (for more details, see the statements in sec. 16 of the Offer Document). As a rule, compensation payments made (if any) will be determined on the basis of the total value of an enterprise and may be reviewed in judicial proceedings. Such compensation payments may be

equal to the amount of the Offer Price but could also be higher or lower. Even if this is the case, Covestro Shareholders accepting the Offer will not be entitled to such compensation payments or to any additional payments.

7.2 Possible consequences in case of a non-acceptance of the Offer

Covestro Shareholders who do not accept the Offer and do not otherwise sell their Covestro Shares will remain shareholders of Covestro. However, they should note, inter alia, the statements made by the Bidder under sec. 16 of the Offer Document and the following:

- They bear the risks and opportunities of the future development of the Covestro Shares for which they do not accept the Offer.
- The current stock exchange price of the Covestro Share also reflects the fact that the Bidder published its decision to launch the Offer on 1 October 2024 as well as the fact that since 20 June 2023 there had been specific takeover speculations in the market. It is uncertain whether, following the settlement of the Offer, the stock exchange price of the Covestro Shares will remain at its present level or rise above or fall below it.
- The settlement of the Offer will result in a reduction of the free float of the issued Covestro Shares. It is also to be expected that the supply of and demand for Covestro Shares will be lower than at present following the settlement of the Offer and that the liquidity of Covestro Shares will therefore decrease. It is therefore possible that buy and sell orders for Covestro Shares cannot be executed or cannot be executed in a timely manner. Furthermore, the possible limitation of the liquidity of Covestro Shares could lead to significantly higher price fluctuations in the future.
- Currently, Covestro Shares are included, among others, in the indices DAX, STOXX Europe 600 Chemicals and MSCI Europe Chemicals. The settlement of the Offer will result in a reduction of the free float of the issued Covestro Shares, which may result in Covestro no longer meeting the criteria of the respective index providers for the inclusion of Covestro Shares in these indices. This may lead to the exclusion from one or several of the indices. In this case, it is to be expected that, in particular, index funds and institutional investors who track the relevant index in their portfolio will sell the Covestro Shares currently held by them and refrain from acquiring Covestro Shares in the future. An increased supply of Covestro Shares coupled with lower demand for Covestro Shares may adversely affect the stock exchange price of the Covestro Shares. Also based on this background it is expected that the supply of and demand for Covestro Shares will be lower than the present after the settlement of the Offer and that the liquidity of Covestro Shares will therefore decrease.
- At least some of the aforementioned effects could also occur prior to the settlement of the Offer, since the Covestro Shares for which the Offer is accepted can only be traded on the stock exchange under the ISIN DE000A40KY26, while the Covestro Shares for which the Offer is not accepted will remain in the ISIN DE0006062144 and can therefore only be traded on the stock exchange under this ISIN.
- Upon the settlement of the Offer the Bidder will hold the majority of the voting rights at the general meeting and, depending on the acceptance rate, could hold the majority of the votes required to implement all significant structural corporate measures and other measures at the general meeting of Covestro. This includes, inter alia, the election and the dismissal of shareholder representatives of the

Supervisory Board, granting or rejecting discharge of Management Board or Supervisory Board members, amendments to the articles of association, capital increases and, if the majority requirements under statutory law and articles of association have been satisfied, exclusion of subscription rights for shareholders in capital measures as well as conclusion of enterprise agreements (*Unternehmensverträge*), transformations, mergers and a dissolution of Covestro (see, however, sec. 6.3.7(i) of this Statement regarding the Bidder's undertaking not to initiate, cause, procure, or support any of the Excluded Measures for the duration of the Investment Agreement (i.e., until 31 December 2028)). The implementation of some of these measures could also result in the Delisting of the Covestro Shares.

- Only with regard to some of the measures mentioned, would there be an obligation under German law for the Bidder to make an offer to the minority shareholders to acquire their Covestro Shares in return for an appropriate cash compensation or to grant other compensation based on a company valuation of Covestro. Since such a company valuation would have to be based on the circumstances existing at the time of the resolution of Covestro's general meeting regarding the respective measure, the value of such a compensation could correspond to the Offer Price, but it could also be lower or higher.
- The Bidder could resolve on the use of a possible net profit at the general meeting.
- The Bidder could demand a transfer of the Covestro Shares of the outside Covestro Shareholders to the main shareholder in return for an adequate cash compensation (*squeeze-out*) if it directly or indirectly holds the required number of Covestro Shares (see, in particular, secs. 9.7.2 and 16 lit. (g) of the Offer Document as well as sec. 6.3.7(ii) of this Statement). In detail:
 - (i) The Bidder could request that the general meeting of Covestro resolves the transfer of the Covestro Shares of the outside Covestro Shareholders to the Bidder against the provision of adequate cash compensation pursuant to secs. 327a et seqq. AktG (*aktienrechtlicher Squeeze-out*), provided that at least 95% of Covestro's share capital belongs to the Bidder or a company dependent on the Bidder upon settlement of this Offer. The amount of cash compensation could correspond to the Offer Price, but it could also be lower or higher.
 - (ii) If at least 90% of Covestro's share capital belongs to the Bidder upon settlement of this Offer, the Bidder could demand that the general meeting of Covestro resolves the transfer of the Covestro Shares of the outside Covestro Shareholders to the Bidder against the provision of adequate cash compensation pursuant to sec. 62 para. 5 UmwG in conjunction with secs. 327a et seqq. AktG (*umwandlungsrechtlicher Squeeze-out*). The amount of cash compensation could correspond to the Offer Price, but it could also be lower or higher.
 - (iii) If at least 95% of the voting share capital of Covestro belongs to the Bidder or a company dependent on the Bidder upon settlement of this Offer, the Bidder could file a court application pursuant to sec. 39a para. 1 sent. 1 WpÜG, whereby the remaining Covestro Shares are to be transferred to the Bidder against the provision of adequate cash compensation by court order (*übernahmerechtlicher Squeeze-out*). An application under sec. 39a WpÜG

must be filed within three months after the end of the Acceptance Period. The amount of cash compensation could correspond to the Offer Price, but it could also be lower or higher. If the Offer is accepted for at least 90% of the Covestro Shares, the Offer Price is deemed to be an adequate cash compensation.

The implementation of a squeeze-out of minority shareholders would result in the Delisting of Covestro Shares from the Frankfurt Stock Exchange and, inter alia, their removal from trading on the over-the-counter market (*Freiverkehr*) of the Berlin, Dusseldorf, Hamburg, Hanover, Munich, and Stuttgart stock exchanges, as well as the Tradegate Exchange.

- The Bidder could initiate a Delisting after the Closing or at a later date (see, in particular, secs. 9.7.2 and 16 lit. (f) of the Offer Document as well as sec. 6.3.7(ii) of this Statement). In the event that the Bidder initiates a Delisting pursuant to sec. 39 para. 2 of the Stock Exchange Act (*Börsengesetz* – “**BörsG**”), the Bidder would be required to make a delisting tender offer to all remaining minority shareholders of Covestro to acquire the Covestro Shares held by them in exchange for an offer consideration in accordance with sec. 39 para. 2 BörsG. Such a delisting offer could correspond in value to the Offer Price, but it could also be lower or higher.

In the event of a Delisting, Covestro Shares would no longer be traded on the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange, which could have significant negative effects on the liquidity of Covestro Shares. Covestro Shares could also be excluded from one or more of the indices mentioned in this sec. 7.2, which in turn would lead to the consequences mentioned therein. Additionally, Covestro Shareholders would no longer benefit from the more extensive reporting and disclosure obligations of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange.

Alternatively, the Bidder could initiate, cause, procure, or support a change of the stock exchange segment to reduce the costs as well as the transparency and disclosure obligations associated with the listing of Covestro Shares on the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange. As a result, Covestro Shareholders would no longer benefit from the more extensive reporting and notification obligations of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange. Such a change of the stock exchange segment could also have noticeable negative effects on the liquidity of Covestro Shares.

- Provided that the Bidder holds at least 95% of the share capital of Covestro after Closing, Covestro Shareholders who have not accepted the Offer by the end of the Acceptance Period or by the end of the Additional Acceptance Period may accept the Offer pursuant to sec. 39c WpÜG within a period of three months after the expiry of the Acceptance Period (*Andienungsrecht*). The tender period will commence only once the Bidder has fulfilled its publication obligations pursuant to sec. 23 para. 1 no. 4 WpÜG.

8 Interests of the members of the Management Board and the Supervisory Board

The members of the Management Board and the Supervisory Board have not received any payments or other benefits of monetary value or corresponding promises from the Bidder or persons acting jointly with the Bidder in connection with the Offer.

The Supervisory Board has made enquiries with the members of the Management Board to ensure that no special interests exist. It has also obtained confirmation from all members of the Management Board that no promises of a financial or non-financial nature have been made or promised to them by the Bidder or persons acting jointly with the Bidder.

It is pointed out that, according to the service contracts between the Company and each member of the Management Board, the respective Management Board member is entitled, in the event of a change of control, i.e., in the event of the acquisition of at least 30% of the voting rights in the Company in accordance with secs. 29, 30 WpÜG by a third party (*change of control*) which significantly changes the position of an individual member of the Management Board – for example, by changing the Company's Business Strategy or the Management Board member's area of responsibility – to terminate its service contract within twelve months of the change of control. If this termination right is exercised or if the service contract is terminated by mutual agreement at the instigation of the Company within twelve months as a result of the change of control, the Management Board member is entitled to a severance payment equal to two-and-a-half times the annual fixed salary. The amount of this severance payment, including benefits in kind, is limited to the remaining compensation until the expiry of the service contract and is subject to the severance cap. This also applies in the event of a revocation of the appointment and in the event of a mutually agreed termination of the service contract.

For the sake of completeness, it should also be noted, as described in sec. 6.3.5 of this Statement, that the Investor has undertaken in the Investment Agreement (i) that the current members of the Management Board will continue to lead Covestro after the Closing, and (ii) not to initiate, cause, procure, or support any measures aimed at changing the general or – during their respective terms of appointment – actual composition of the Management Board.

9 Intention to accept the Offer

All members of the Management Board and the Supervisory Board who hold Covestro Shares, have accepted or intend to accept the Offer in respect of all Covestro Shares held by them (or held by companies controlled by them).

In this context, it is noted that members of the Management Board and the Supervisory Board who accept the Takeover Offer will receive exactly the same offer consideration per Covestro Share for the Covestro Shares they have tendered as all other Covestro Shareholders who have accepted the Takeover Offer for their Tendered Covestro Shares.

As far as the respective members have undertaken vis-à-vis Covestro to hold a certain number of Covestro Shares for the duration of their service on the Management Board in accordance with the remuneration system for the Management Board and the long-term incentive programme (Prisma), the Supervisory Board resolved on 7 November 2024 that the remuneration system and the long-term incentive programme need to be amended in light of the Takeover Offer, as a result of which the holding obligations of the members of the Management Board will cease to apply. In this context the Supervisory Board also approved

the tendering of Covestro Shares by the Management Board, so that the respective Management Board members can tender their Covestro Shares into the Offer.

As far as the relevant members of the Supervisory Board have declared on a voluntary basis that they will hold a certain number of Covestro Shares for the duration of their activity on the Supervisory Board ("**Voluntary Commitment**"), the Supervisory Board on 7 November 2024, after a thorough discussion of the pros and cons of maintaining the Voluntary Commitment, decided to revoke the Voluntary Commitment so that the relevant Supervisory Board members can tender their Covestro Shares into the Offer.

10 Final assessment

In the view of the Management Board and the Supervisory Board, after conducting their respective independent reviews, the Offer Price of EUR 62.00 per Covestro Share is fair and adequate and complies with the statutory minimum requirements of sec. 31 para. 1 WpÜG. To assess the fairness of the Offer Price of EUR 62.00 per Covestro Share from a financial point of view, the Management Board has particularly considered the Management Board Fairness Opinions prepared by financial advisers Goldman Sachs and Perella Weinberg, and the Supervisory Board has particularly considered the Supervisory Board Fairness Opinions prepared by financial advisers Macquarie and Rothschild & Co.

The Management Board and the Supervisory Board are also of the opinion, after the constructive negotiations with the Investor, in which Covestro has achieved significant and important negotiation successes, that – as described above – the business opportunities arising for Covestro from the Transaction outweigh the adverse effects for Covestro arising from the Investor's entry, insofar as these are not already compensated for anyway by the provisions set out in the Investment Agreement. This leads the Management Board and the Supervisory Board to recommend to the Covestro Shareholders to accept the Offer in respect of the Covestro Shares. All members of the Management Board and the Supervisory Board, who hold Covestro Shares, have accepted or intent to accept the Offer in respect of all Covestro Shares held by them (or held by companies controlled by them).

Apart from the aforementioned recommendations, all Covestro Shareholders have to decide for themselves in each case whether or not to accept the Offer, taking into account the overall circumstances as well as their personal situation and assessment with regard to the possible future development of the value and stock exchange price of the Covestro Shares. The Management Board and the Supervisory Board shall not be liable, subject to applicable law, if a Covestro Shareholder suffers economic disadvantages as a result of accepting or not accepting the Offer.

The Management Board and the Supervisory Board have unanimously adopted the contents of this Reasoned Statement. The contents of this Reasoned Statement were finally discussed by the Management Board on 7 November 2024 and by the Supervisory Board on 7 November 2024 – after the last preliminary discussion of corresponding drafts.

Leverkusen, this 7 November 2024

Covestro AG

Management Board

Supervisory Board

List of Annexes

<u>Annex 1</u>	Subsidiaries of Covestro
<u>Annex 2</u>	Fairness Opinion of Goldman Sachs Bank Europe SE, Frankfurt am Main, Germany, dated 6 November 2024
<u>Annex 3</u>	Fairness Opinion from Perella Weinberg GmbH, Munich, Germany, dated 6 November 2024
<u>Annex 4</u>	Fairness Opinion of Macquarie Capital France SA, German branch, Frankfurt am Main, Germany, dated 7 November 2024
<u>Annex 5</u>	Fairness Opinion of Rothschild & Co Deutschland GmbH, Frankfurt am Main, Germany, dated 7 November 2024

Annex 1 – Subsidiaries of Covestro

Name of legal entity	Seat, Country
Asellion (Shanghai) Information Technology Co., Ltd.	Shanghai, China
Covestro (France)	Fos-sur-Mer, France
Covestro (Hong Kong) Limited	Hongkong, Special Administrative Region, China
Covestro (India) Private Limited	Navi Mumbai, India
Covestro (Netherlands) B.V.	Geleen, Netherlands
Covestro (Shanghai) Investment Company Limited	Shanghai, China
Covestro (Slovakia) Services s. r. o.	Bratislava, Slovakia
Covestro (Taiwan) Ltd.	Taipei City, Taiwan, Greater China
Covestro (Thailand) Co., Ltd.	Bangkok, Thailand
Covestro (Vietnam) Company Limited	Ho Chi Minh City, Vietnam
Covestro Amulix V. o. F.	Zwolle, Netherlands
Covestro Bio-Based Coatings B.V.	Zwolle, Netherlands
Covestro Brunsbüttel Energie GmbH	Brunsbüttel, Germany
Covestro Deutschland AG	Leverkusen, Germany
Covestro Elastomers	Romans-sur Isère, France
Covestro Eternal Resins (Far East) Ltd.	Pingtung, Taiwan, Greater China
Covestro Eternal Resins (Kunshan) Co., Ltd.	Kunshan, China
Covestro Far East (Hong Kong) Limited	Hongkong, Special Administrative Region, China
Covestro Films GmbH	Walsrode, Germany
Covestro First Real Estate GmbH	Leverkusen, Germany
Covestro Indústria e Comércio de Polímeros Ltda.	São Paulo, Brazil
Covestro International Re, Inc.	Colchester, Vermont, United States
Covestro International SA	Fribourg, Switzerland
Covestro International Trade Services Corp.	Wilmington, Delaware, United States
Covestro Invest (Far East) Company Limited	Hongkong, Special Administrative Region, China
Covestro Invest GmbH	Leverkusen, Germany
Covestro Japan Ltd.	Tokyo, Japan
Covestro Korea Corporation	Seoul, South Korea
Covestro LLC	Wilmington, Delaware, United States
Covestro Material Science and Technology (Shanghai) Company Limited	Shanghai, China
Covestro Middle East FZ-LLC	Dubai, United Arab Emirates
Covestro Niaga B.V.	Zwolle, Netherlands
Covestro NV	Antwerp, Belgium
Covestro PO LLC	Pittsburgh, Pennsylvania, United States
Covestro Polímer Anoním Şirketi	Istanbul, Turkey
Covestro Polymers (China) Company Limited	Shanghai, China
Covestro Polymers (Qingdao) Company Limited	Qingdao, China
Covestro Polymers (Shenzhen) Co., Ltd.	Shenzhen, China
Covestro Polymers (Tianjin) Co., Ltd.	Tianjin, China
Covestro Polymers (Zhuhai) Company Limited	Zhuhai, China
Covestro Polyurethanes B.V.	Geleen, Netherlands
Covestro Pty. Ltd.	Mulgrave, Australia
Covestro Resins (Foshan) Company Ltd.	Foshan, China
Covestro Resins (Shanghai) Co., Ltd.	Shanghai, China

Name of legal entity	Seat, Country
Covestro Resins China Holding B.V.	Zwolle, Netherlands
Covestro S.r.l.	Filago, Italy
Covestro Second Real Estate GmbH	Leverkusen, Germany
Covestro spółka z ograniczoną odpowiedzialnością	Warsaw, Poland
Covestro UK Limited	Cheadle Hulme, United Kingdom
Covestro Vermittlung GmbH	Leverkusen, Germany
Covestro, S.L.	Barcelona, Spain
Covestro, Sociedad Anónima de Capital Variable	Mexiko-City, Mexico
DIC Covestro Polymer Ltd.	Tokyo, Japan
Epurex Films Geschäftsführungs-GmbH	Walsrode, Germany
Guangzhou Covestro Polymers Company Limited	Guangzhou, China
Japan Fine Coatings Co., Ltd.	Ibaraki, Japan
LyondellBasell Covestro Manufacturing Maasvlakte V.O. F.	Rotterdam, Netherlands
MS Global AG in Liquidation	Köniz, Switzerland
PT Covestro Polymers Indonesia	Jakarta, Indonesia
Solar Coating Solutions B.V.	Zwolle, Netherlands
Sumika Covestro Urethane Company, Ltd.	Hyogo, Japan

Annex 2 – Fairness Opinion of Goldman Sachs dated 6 November 2024

PERSONAL AND CONFIDENTIAL

6 November 2024

The Management Board (*Vorstand*)
Covestro AG
Kaiser-Wilhelm-Allee 60
51373 Leverkusen
Germany

Ladies and Gentlemen:

You have requested our opinion as to the fairness from a financial point of view of the cash consideration in the amount of Euro 62.00 per Share (as defined below) (the "**Per Share Consideration**") to be paid by a newly established German stock corporation named ADNOC International Germany Holding AG (formerly known as Blitz 24-883 AG) (the "**Bidder**") to the holders of all outstanding no-par value bearer shares (*auf den Inhaber lautende Stückaktien*) of Covestro AG (the "**Company**"), each with a notional value (*rechnerischer Anteil*) of Euro 1.00 in the registered share capital (*Grundkapital*) of the Company (together, the "**Shares**"), pursuant to a voluntary public cash takeover offer (*freiwilliges öffentliches Bar-Übernahmeangebot*) under the German Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*) (the "**Takeover Act**") launched by the Bidder (the "**Takeover Offer**") as set forth in (i) the investment agreement dated 1 October 2024 by and between the Company, the Bidder, ADNOC International Limited ("**ADNOC Limited**"), the indirect sole shareholder of the Bidder, and ABU DHABI NATIONAL OIL COMPANY (ADNOC) P.J.S.C. ("**ADNOC**"), the parent company of ADNOC Limited (the "**Investment Agreement**"), and (ii) the offer document (*Angebotsunterlage*) published by the Bidder on 25 October 2024 in accordance with Section 14 para. 3 of the Takeover Act (the "**Offer Document**", and together with the Investment Agreement, the "**Transaction Documents**"). In accordance with the Transaction Documents, (i) the Bidder has launched the Takeover Offer within the meaning of Section 29 para. 1 of the Takeover Act for all Shares against the Per Share Consideration to be paid to holders (other than the Bidder and any of its affiliates) of Shares, and (ii) the Bidder and ADNOC Limited have undertaken to make available additional funding to the Company in the amount of EUR 1,171,800,000 or any such higher amount should the Per Share Consideration be increased, primarily by subscribing 18,900,000 new Shares, corresponding to 10% of the Company's current share capital, by means of a capital increase based on the existing authorization pursuant to Section 4 para. 2 of the Company's articles of association against cash consideration with simplified exclusion of subscription rights of any remaining minority shareholders of the Company pursuant to Section 186 para. 3 sentence 4 of the

German Stock Corporation Act (*Aktiengesetz*) (the "**Capital Increase**") in immediate temporal connection with the consummation of the Takeover Offer so that the Capital Increase becomes effective concurrently with, or at the latest, without undue delay, as soon as reasonably practical after, the consummation of the Takeover Offer (the "**Additional Equity Funding**").

Goldman Sachs Bank Europe SE and its affiliates (together, "**Goldman Sachs**") are engaged in advisory, underwriting, lending and financing, principal investing, sales and trading, research, investment management and other financial and non-financial activities and services for various persons and entities. Goldman Sachs and its affiliates and employees, and funds or other entities they manage or in which they invest or have other economic interests or with which they co-invest, may at any time purchase, sell, hold or vote long or short positions and investments in securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments of the Company, the Bidder, ADNOC Limited, ADNOC, any of their respective affiliates and third parties, including the Government of the United Arab Emirates, and/or its agencies and instrumentalities (collectively, the "**UAE**"), the parent of ADNOC, or any currency or commodity that may be involved in the transactions contemplated by the Transaction Documents (together, the "**Transaction**"). We have acted as financial advisor to the management board (*Vorstand*) of the Company (the "**Management Board**") in connection with, and have participated in certain of the negotiations leading to, the Transaction. We expect to receive fees for our services in connection with the Transaction, all of which are contingent upon consummation of the Transaction, and the Company has agreed to reimburse certain of our expenses arising, and indemnify us against certain liabilities that may arise, out of our engagement. We have provided certain financial advisory and/or underwriting services to the Company and/or its affiliates from time to time for which Goldman Sachs Investment Banking has received, and may receive, compensation. We also have provided certain financial advisory and/or underwriting services to ADNOC and/or its affiliates and portfolio companies from time to time for which Goldman Sachs Investment Banking has received, and may receive, compensation, including having acted as advisor to ADNOC with respect to a joint venture with BP p.l.c., in February 2024; as financial advisor to ADNOC with respect to the acquisition of its stake in Area 4 Gas Block (Mozambique), in May 2024; and as bookrunner to ADNOC with respect to a follow-on offering of shares of ADNOC Drilling Company PJSC, a portfolio company of ADNOC, in May 2024. We may have also provided certain financial advisory and/or underwriting services to the UAE and its affiliates from time to time for which Goldman Sachs Investment Banking may receive compensation. We may also in the future provide financial advisory and/or underwriting services to the Company, ADNOC, ADNOC Limited, UAE, the Bidder and their respective affiliates for which Goldman Sachs Investment Banking may receive compensation.

In connection with this Opinion, we have reviewed, among other things, (i) the finalized draft of the joint reasoned statement (*gemeinsame begründete Stellungnahme*) pursuant to Section 27 para. 1 of the Takeover Act in the form approved by the Management Board and supervisory board (*Aufsichtsrat*) of the Company, (ii) the Transaction Documents, (iii) annual reports (*Geschäftsberichte*) of the Company (including the consolidated annual financial statements of the Company (*Konzernjahresabschlüsse*) contained therein) for the five fiscal years ended 31 December 2023, (iv) the quarterly report (*Quartalsmitteilung*) of the Company for the period ended 31 March 2024, (v) the half-year report (*Halbjahresfinanzbericht*) of the Company for the period ended 30 June 2024, (vi) certain other communications from the Company to its stockholders, (vii) certain publicly available research analyst reports for the Company, and (viii) certain internal financial analyses and forecasts for the Company prepared by the Company, as approved for our use by the Company (together, the "**Forecasts**"). We have also (i) held discussions with members of the senior management of the Company regarding their assessment of the strategic rationale for, and the potential benefits of, the Transaction and the past and current business operations, financial condition and future prospects of the Company, (ii) reviewed the reported price and trading activity for the Shares, (iii) compared certain financial and stock market information for the Company with similar information for certain other companies the securities of which are publicly traded, (iv) reviewed the financial terms of certain recent business combinations in the chemicals industry, and (v) performed such other studies and analyses, and considered such other factors, as we deemed appropriate.

For purposes of rendering this opinion, we have, with your consent, relied upon and assumed the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by, us, without assuming any responsibility for independent verification thereof. In that regard, we have assumed, with your consent, that the Forecasts have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the Management Board. We have not made an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or other off-balance-sheet assets and liabilities) of the Company or any of its subsidiaries and we have not been furnished with any such evaluation or appraisal. We have assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Transaction will be obtained without any adverse effect on the expected benefits of the Transaction in any way meaningful to our analysis. We have further assumed that the Transaction will be consummated on the terms set forth in the Transaction Documents, without the waiver, modification or addition of any term or condition, the effect of which would be in any way meaningful to our analysis.

Our opinion does not address the underlying business decision of the Company to engage in the Transaction, or the relative merits of the Transaction as compared to any strategic


alternatives that may be available to the Company; nor does it address any legal, regulatory, tax or accounting matters. We were not requested to solicit, and did not solicit, interest from other parties with respect to an acquisition of, or other business combination with, the Company or any other alternative transaction. This opinion addresses only the fairness from a financial point of view to the holders (other than the Bidder and any of its affiliates) of Shares, as of the date hereof, of the Per Share Consideration to be paid to such holders of Shares pursuant to the Transaction Documents. We do not express any view on, and this opinion does not address, (i) any other term or aspect of the Transaction Documents, the Takeover Offer or the Transaction or any term or aspect of any other agreement or instrument contemplated by the Transaction Documents or entered into, or amended in connection with the Transaction, or potentially pursued after the Transaction, including any potential delisting offer, any potential enterprise agreement (*Unternehmensvertrag*) (which has, however, been explicitly ruled out under the Transaction Documents), any potential squeeze-out transaction, any potential merger transaction in accordance with the German Transformation Act (*Umwandlungsgesetz*), or any other integration measure involving the Company that may be entered into or taken, as applicable, by the Bidder or any of its respective affiliates subsequent to the completion of the Takeover Offer, the consideration contemplated thereby, the fairness of the Transaction to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of the Company, (ii) the terms or any other aspect of the Additional Equity Funding and the Capital Increase, (iii) the fairness of the Transaction to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of the Company, nor (iv) as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of the Company, or class of such persons, in connection with the Transaction, whether relative to the Per Share Consideration to be paid to the holders of (other than the Bidder and any of its affiliates) Shares pursuant to the Transaction Documents or otherwise. We are not expressing any opinion as to the prices at which the Shares will trade at any time or, as to the potential effects of volatility in the credit, financial and stock markets on the Company, the Bidder or the Transaction, or as to the impact of the Transaction on the solvency or viability of the Company or the Bidder, or the ability of the Company or the Bidder to pay their respective obligations when they come due. This opinion is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof and we assume no responsibility for updating, revising or reaffirming this opinion based on circumstances, developments or events occurring after the date hereof. Our advisory services and the opinion expressed herein are provided solely for the information and assistance of the Management Board in connection with its consideration of the Transaction and this opinion does not constitute a recommendation as to whether or not any holder of Shares should tender such Shares in connection with the Takeover Offer or any other matter. This opinion has been approved by a fairness committee of Goldman Sachs.


This opinion is not, is not intended to be, and shall not be construed as, a valuation report (*Wertgutachten*) of the type typically rendered by qualified auditors (*Wirtschaftsprüfer*) or independent valuation experts. Accordingly, this opinion has not been prepared in accordance with the standards and guidelines for valuation reports prepared by qualified auditors as set by the German Institute of Public Auditors (*Institut der Wirtschaftsprüfer in Deutschland e.V., IDW, "IDW"*). In particular, this opinion has neither been prepared in accordance with the standards and guidelines set forth by the IDW for the preparation of a company valuation (commonly referred to as *IDW S 1*) nor the standards and guidelines set forth by the IDW for the preparation of a fairness opinion (commonly referred to as *IDW S 8*). An opinion like this pertaining solely as to whether a consideration is fair from a financial point of view differs in a number of important respects from a valuation report or a fairness opinion prepared by qualified auditors or independent valuation experts as well as from accounting valuations generally. In addition, we do not express any view on, and this opinion does not address, whether or not the terms and conditions of the Transaction Documents are consistent with the requirements of the Takeover Act and the regulations promulgated thereunder, or comply with any other legal requirements.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the Per Share Consideration to be paid to the holders (other than the Bidder and any of its affiliates) of Shares in the Takeover Offer pursuant to the Transaction Documents is fair from a financial point of view to such holders of Shares.

Very truly yours,

GOLDMAN SACHS BANK EUROPE SE


Name: Simon Becker
Title: Managing Director


Name: FABIAN RIEDER
Title: MANAGING DIRECTOR

Annex 3 – Fairness Opinion of Perella Weinberg dated 6 November 2024

For the attention of the members of the Board of Management (*Vorstand*) of
Covestro AG
Kaiser-Wilhelm-Allee 60
51373 Leverkusen
Germany

Public takeover offer by ADNOC International Germany Holding AG

06 November 2024

Dear members of the Board of Management:

On 1 October 2024 ADNOC International Germany Holding AG (the "**Bidder**"), an indirectly wholly owned subsidiary of ABU DHABI NATIONAL OIL COMPANY (ADNOC) P.J.S.C. ("**ADNOC**") and ADNOC International Limited (the "**Investor**") has made, a public takeover offer (the "**Offer**") to the shareholders of Covestro AG (the "**Company**") to acquire, subject to certain conditions, all of the outstanding no-par value bearer shares of the Company (the "**Company Shares**") not directly held by the Bidder in accordance with § 29 German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz* – "**WpÜG**") for a cash consideration in the amount of EUR 62.00 per Company Share (the "**Offer Consideration**") (the "**Transaction**"). The Bidder has published the offer document (the "**Offer Document**") pursuant to § 14 para. 2 and 3 WpÜG on 25 October 2024. The holders of the Company Shares other than the Bidder, the Investor, ADNOC and any of their affiliates, or persons acting jointly with the Bidder, the Investor and/or ADNOC, are hereinafter referred to as the "**Shareholders**".

The Company has requested Perella Weinberg GmbH ("**Perella Weinberg Partners**" or "**we**") to assess, for you in your capacity as Board of Management, the fairness (in German "*Angemessenheit*") of the Offer Consideration from a financial point of view, to the Shareholders and to issue to the Board of Management a respective opinion (the "**Opinion**"), which is contained in this letter.

In connection with the Opinion set forth herein, we have, among other things:

1. reviewed certain publicly available historical business and financial information relating to the Company;
2. reviewed certain publicly available equity research analyst reports for the Company;
3. reviewed certain internal financial forecasts (the "**Company Forecasts**"), analyses and other internal business and financial information relating to the business of the Company, prepared by the Company and provided to us for our use by or at the direction of the Board of Management and certain other representatives of the Company;
4. discussed aspects concerning the past and current business, operations, financial condition and prospects, including certain aspects of the long-term normalized financial performance prospects (the "**Long-term Prospects**"), of the Company with certain members of the senior management of the Company;

5. compared certain financial and stock market information relating to the Company with that of certain publicly traded companies which we believe to be generally relevant;
6. reviewed the financial terms of certain German public offers which we believe to be generally relevant;
7. performed certain discounted cash flow analyses;
8. reviewed the historical trading prices for the Company Shares;
9. taken into account that, on 20 June 2023 and at various points in time thereafter, there were news reports concerning a potential interest of ADNOC in a takeover offer for the Company, including speculation about the potential offer consideration, and that the Company had publicly disclosed its decision to enter into discussions with ADNOC concerning a potential transaction;
10. reviewed the Offer Document; and
11. conducted such other financial studies, analyses and investigations, and considered such other factors, as we have deemed appropriate.

For purposes of our Opinion, we have assumed and relied upon, with your consent, without assuming any responsibility for independent verification, the accuracy and completeness of all of the financial, accounting, legal, tax, regulatory and other information provided to, discussed with or reviewed by us (including information that was available from public sources) and have further relied upon the assurances of the management of the Company that they are not aware of any facts or circumstances that would make such information inaccurate or misleading in any material respect. With respect to the Company Forecasts and the Long-term Prospects, we have been advised by the management of the Company and have assumed and relied upon, with your consent, without assuming any responsibility for independent verification, that they have been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of the Company as to the future financial performance of the Company and the other matters covered thereby.

In rendering this Opinion, we assume no responsibility for and we express no view as to the reasonableness of the Company Forecasts, the Long-term Prospects or the assumptions on which they are based. In arriving at our Opinion, we have not made or been provided with any independent valuation or appraisal of the assets or liabilities (including any contingent, derivative or off-balance-sheet assets or liabilities) of the Company, any of its affiliates or any other party. We have not assumed any obligation to conduct, nor have we conducted, any physical inspection of the properties or facilities of the Company, any of its affiliates or any other party. In addition, we have not evaluated the solvency of any party to the Transaction, or the impact of the Offer or the Transaction thereon, including under any applicable laws relating to bankruptcy, insolvency or similar matters. We were also not presented with any assessments or reviews in regards thereto.

We have assumed that the Offer and the Transaction will be consummated in a timely manner in accordance with the terms set forth in the Offer Document, without any modification, amendment, waiver or delay that would be material to our analysis or this Opinion. In addition, we have assumed that in connection with the receipt of all regulatory approvals and consents required in connection with the Offer or the Transaction, no delays, limitations, conditions or restrictions will be imposed that would be material to our analysis or this Opinion.

This Opinion addresses only the fairness of the Offer Consideration from a financial point of view, as of the date hereof, to the Shareholders. We have not been asked to, nor do we, offer any opinion as to any other term of the Offer, the form or structure of the Offer and the Transaction or the likely timeframe in which the Offer and the Transaction will be consummated. In addition, we express no opinion as to

the fairness of the amount or nature of any compensation to be received by any officers, directors or employees of any party to the Transaction, or any class of such persons, whether relative to the Offer or otherwise. We express no opinion as to the fairness of the Offer to the holders of any other class of securities, creditors or other constituencies of the Company, as to the underlying decision by the Board of Management to potentially recommend to the Company's shareholders to accept or not accept the Offer or as to the relative merits of the Offer and the Transaction compared with any alternative transactions or business strategies which might be available to the Company. Nor do we express any opinion as to any tax or other consequences that may result from the Offer or the Transaction. This Opinion does not address any legal, tax, regulatory or accounting matters, as to which we understand the Company has received such advice as it deems necessary from qualified professionals. Our Opinion also does not address any other aspect or further effect of the completion or non-completion of the Offer or the Transaction.

In the context of the preparation of this Opinion, Perella Weinberg Partners has given consideration to several valuation methods which are customarily considered by investment banks in the preparation of such opinions. This Opinion is however not based on a valuation as is typically carried out by auditors in accordance with German corporate and commercial law and should therefore not be deemed as such. In particular, Perella Weinberg Partners has not prepared a valuation on the basis of the Principles for the Performance of Business Valuations (*Grundsätze zur Durchführung von Unternehmensbewertungen* - IDW S 1) published by the Institute of Auditors in Germany (*Institut der Wirtschaftsprüfer e.V.* - IDW) and this Opinion also does not take into account the Principles for the Preparation of Fairness Opinions (*Grundsätze für die Erstellung von Fairness Opinions* - IDW S 8) published by the Institute of Auditors in Germany (*Institut der Wirtschaftsprüfer e.V.* - IDW). An assessment regarding the fairness, from a financial point of view, differs in several important aspects from assessments by auditors and from financial assessments in general.

Our Opinion is necessarily solely based on the information and data received up to the date of this letter and on the financial, macroeconomic, market and other conditions as they currently exist and can be considered at this moment in time. Subsequent circumstances, developments and events which occur, or information and data which we receive, after the date of this letter may have, or may have had if known at the time, an effect on our Opinion and the underlying assumptions. We do not, however, assume any obligation to update, edit or confirm our Opinion on the basis of new circumstances, developments or events, or otherwise which arise, or information and data which we receive or becomes available, after the delivery of this Opinion.

We are acting as financial advisor to the Company with respect to the Transaction, the Offer and this Opinion and expect to receive a fee for our services, a portion of which has become payable upon delivery of an opinion by us in connection with the Board of Management's decision to enter into an investment agreement with the Bidder, the Investor and ADNOC, a further portion of which becomes payable upon the Board of Management's publication of its reasoned opinion in accordance with § 27 para. 1 and para. 3 WpÜG and a substantial portion of which is dependent, among others, on the outcome of the Offer and the Transaction. In addition, the Company has agreed to reimburse us for certain expenses and indemnify us for certain liabilities that may arise out of our engagement.

It is possible that Perella Weinberg Partners or companies affiliated with Perella Weinberg Partners may have provided, provide or will provide advisory or other financial services to the Company, the Bidder, the Investor, ADNOC, any of their affiliates or any other party to the Offer or the Transaction and that we have received or will receive fees for such services. It is possible at any time that Perella Weinberg Partners or companies affiliated with Perella Weinberg Partners hold, in the ordinary course

of their business, any kind of securities and/or financial instruments regarding the Company, the Bidder, the Investor, ADNOC, any of their affiliates or any other party to the Offer or the Transaction for their own account or for the account of third parties.

The issuance of this Opinion was approved by a fairness opinion committee of Perella Weinberg Partners.

This Opinion has been prepared by us solely for the Board of Management in connection with, and for the purpose of its evaluation of, the Offer Consideration provided for in the Offer Document from a purely financial perspective. This Opinion was not prepared for any Shareholder, the Bidder, the Investor, ADNOC, any of their affiliates, any creditor of the Company or any other person (in each case a "**Non-Addressee**") and does not contain a recommendation as to how such a Non-Addressee should act in the context of the Offer and/or the Transaction, whether any such Non-Addressee should acquire or dispose of any Company Shares or whether or not any such Non-Addressee should tender any Company Shares into the Offer. This Opinion was not prepared on behalf of or in the name of any Non-Addressee and does not afford any rights or protections to any such Non-Addressee. The Board of Management may attach this letter as a whole to its reasoned opinion, or a reasoned opinion published jointly with the supervisory board of the Company, which is to be published in accordance with § 27 para. 1 and para. 3 WpÜG. The Company may also refer to this letter in documents published in the context of the publication of its reasoned opinion. With the exception of the aforementioned authorized disclosure, neither the existence or the content of this Opinion nor this letter may - as a whole or in part - be disclosed, reproduced, disseminated, quoted, summarized or referred to at any time, in any manner or for any purpose, without our prior written consent which will be given or withheld in our sole and absolute discretion. Such consent, if given, will not constitute any expansion or addition to the addressees of this Opinion or the persons who are permitted to rely on this Opinion and any such consent may not be conceived or construed as such. There is no liability towards any Non-Addressee even if this Opinion has been publicly disclosed with or without our consent.

Based upon and subject to the foregoing, including the various assumptions and limitations set forth herein, we are of the opinion that, as of the date hereof, the Offer Consideration is fair, from a financial point of view, to the Shareholders.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Perella Weinberg' followed by a stylized flourish.

PERELLA WEINBERG GMBH

Annex 4 – Fairness Opinion of Macquarie dated 7 November 2024

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Macquarie Capital France SA, Niederlassung Deutschland

A Member of the Macquarie Group of Companies

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Bockenheimer Landstrasse 2-4
60306 Frankfurt am Main
GERMANY

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7 November 2024

STRICTLY PRIVATE AND CONFIDENTIAL

The Supervisory Board
Covestro AG
Kaiser-Wilhelm-Allee 60
51373 Leverkusen
Germany

Dear Sir or Madam,

We, Macquarie Capital France SA, Niederlassung Deutschland, refer to the voluntary public takeover offer (cash offer) by ADNOC International Germany Holding AG (formerly known as Blitz 24-883 AG) (the "**Bidder**") to the shareholders of Covestro AG (the "**Target**"), a company listed on the regulated market, in the Prime Standard segment, of the Frankfurt Stock Exchange regarding the acquisition of all no-par value bearer shares (*auf den Inhaber lautende Stückaktien*) in the Target, each representing a proportionate amount of EUR 1.00 of the share capital of the Target ("**Target Shares**") that are not already held directly by the Bidder (the "**Offer**") pursuant to an offer document published on 25 October 2024 (the "**Offer Document**"). Pursuant to the Offer Document, the Bidder is offering the payment of a cash consideration in the amount of Euro 62.00 per Target Share submitted for acceptance (the "**Offer Price**") under the Offer. The Offer Price applies to all Target Shares including all ancillary rights, in particular the right to dividends, existing at the time of settlement of the Offer.

The Offer is made in accordance with the Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, ("**WpÜG**") and certain applicable securities law provisions of the United States and Canada and will be subject to certain conditions subsequent as set out in the Offer Document, including merger control, foreign direct investment control and EU foreign subsidies control clearances (or expiry of corresponding waiting periods).

The Bidder, its indirect sole shareholder ADNOC International Limited ("**ADNOC Limited**") and its parent company, Abu Dhabi National Oil Company (ADNOC) P.J.S.C. ("**ADNOC**") have entered into an investment agreement with the Target on 1 October 2024 in connection with the Offer (the "**Investment Agreement**"). In the Investment Agreement, the Bidder and ADNOC Limited have undertaken to make available additional funding to the Target in the amount of EUR 1,171,800,000 (or a corresponding higher amount should the Offer Price be increased), by subscribing for 18,900,000 new Target Shares, corresponding to 10% of the Target's current share capital, by means of a capital increase from authorized capital against cash contributions and simplified excluding any subscription rights of existing shareholders

Macquarie Capital France SA, Niederlassung Deutschland | Local Court Frankfurt/Main | HRB 120651

VAT-Identification No.: DE338630184

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Registered office of the head office: Macquarie Capital France SA 12-14 Rond-point des Champs-Élysées, 75008 Paris, France
www.macquarie.com

Directors: Fady Lahame, Antoine Cahuzac, Stéphanie Besnier, Philip Nash, Julien Trouillet, Nadine Kuhlmann

Permanent Representatives of the German branch: Sung-Duk Kim, Fabian Truebenbach, Roland Schmidt

Macquarie Capital France SA is incorporated and registered as a Société anonyme in France (registered number 885 184 697 R.C.S Paris). MCF is authorised and regulated by the ACPR and AMF

Macquarie Capital France SA is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia), and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Any investments are subject to investment risk including possible delays in repayment and loss of income and principal invested. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie France SA.

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of the Target pursuant to Section 186 para. 3 sentence 4 Stock Corporation Act (the “**Capital Increase**” and together with the Offer, the “**Transaction**”).

Please be advised that while certain provisions of the Offer and the Transaction are summarised above, the terms of the Offer and the Transaction are more fully described in the Offer Document. As a result, the description of the Offer and the Transaction and certain other information contained herein is qualified in its entirety by reference to the more detailed information appearing or incorporated by reference in the Offer Document.

We understand that the management board (*Vorstand*) and the supervisory board (*Aufsichtsrat*) of the Target will issue a joint reasoned opinion regarding the Offer pursuant to section 27 WpÜG (the “**Reasoned Opinion**”), including as to the amount of the Offer Price. This letter is solely addressed to the supervisory board of the Target (and not the management board).

ENGAGEMENT OF MACQUARIE

Macquarie Capital France SA, Niederlassung Deutschland (“**Macquarie**”, “**us**” or “**we**”) has been engaged by the Target to act as financial adviser to its supervisory board (“**you**” or the “**Client**”) pursuant to an engagement letter dated 6 October 2023 (the “**Engagement Agreement**”). Pursuant to the Engagement Agreement, you have requested that we provide an opinion addressed to the supervisory board of the Target as to whether the consideration to be granted pursuant to the Offer is fair to the shareholders of the Target to whom the Offer is made from a financial point of view (the “**Opinion**”). This letter is provided pursuant to, and subject to the terms and conditions of, the Engagement Agreement between the Target and Macquarie.

Macquarie has also acted and will continue to act as financial adviser to the supervisory board of the Target with respect to the Offer and will receive a fee from the Target for its services, a substantial portion of which will become payable only if the Transaction completes or the Bidder abandons or withdraws from the Transaction. In addition, the Target has agreed to cover expenses of Macquarie and its affiliates in connection with, and indemnify Macquarie and its affiliates for certain liabilities arising out of, its engagement with the Target, including in connection with the rendering of this Opinion. Macquarie and its affiliates may in the future provide financial advisory and/or underwriting or other services to the Target, the Bidder, ADNOC, ADNOC Limited and/or their respective affiliates for which Macquarie and/or its affiliates may receive compensation. Macquarie and/or its affiliates currently hold and may in the future hold, trade or otherwise engage in transactions concerning securities of the Target or derivatives thereof (or claims to receive or commitments to deliver such securities or derivatives), in each case for their own account or for the account of others.

SCOPE OF THE OPINION

The Opinion addresses only the fairness to the shareholders of the Target to whom the Offer is made, from a financial point of view, of the Offer Price. It does not address any other statement contained in the Offer Document or Reasoned Opinion or any third party opinion or any other aspect or effect of the Transaction, Capital Increase or Offer and does not verify the aggregate value of the Target. In particular, without limitation, it does not address whether the amount of the cash contribution made by the Bidder and/or ADNOC Limited to the Target in return for the new shares issued in the Capital Increase is adequate. The Opinion does not consider special or individual circumstances of individual shareholders of the Target that may be relevant.

Macquarie has not been engaged to prepare, and has not prepared, either an independent expert’s report or a valuation or appraisal of the Target or any of its assets, securities or liabilities, and this letter must not be construed as such. This letter is not and should not be considered a valuation opinion (*Unternehmensbewertung*) as usually rendered by qualified auditors based on the requirements of German corporate and commercial law or applicable standards, such as a company valuation performed according to the Principles for the Performance of Business Valuations of the Institute of Certified Accountants in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.; IDW*) (IDW S 1) and neither the Opinion nor this letter has been prepared in accordance with IDW’s Principles for the Preparation of

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Fairness Opinions (IDW S 8). An opinion like this Opinion pertaining solely as to whether a consideration is fair from a financial point of view differs in material respects from a valuation report or a fairness opinion prepared by qualified auditors or independent valuation experts, as well as from accounting valuations generally. The exercise carried out by Macquarie in providing this letter also differs from any report or valuation that may be carried out in preparation of a potential implementation of a domination and/or profit and loss transfer agreement, squeeze-out or merger involving the Target, and the results of such valuation or report may therefore differ from, or be inconsistent with, the Opinion contained herein.

This letter does not contain any assessment of whether a higher or lower price than the Offer Price would be considered fair or not fair to the shareholders of the Target to whom the Offer is made.

Neither does this letter seek to address the relative merits of the Transaction compared to alternative transactions or strategies that might be available to the Target (or the effect thereof on any other transaction in which the Target may engage), nor does it address the business decision or underlying commercial reasoning of the management or supervisory board of the Target in respect of the Transaction.

This letter is not intended to act in any way as a recommendation to the Target to proceed (or not to proceed) with the Transaction, which is a commercial decision for the management and supervisory boards of the Target to make, nor does it constitute a recommendation to the Target's shareholders to accept or not to accept the Offer.

We express no view as to the structure and content of the Offer or its conformity with applicable laws and regulations. Furthermore, we express no opinion with respect to the amount or nature of any compensation to any officers, directors, or employees of the Target or any party to the Offer, or any class of such persons, relative to the Offer Price or with respect to the fairness of any such compensation. We are expressing no opinion herein as to the price at which the Target Shares will trade at any future time.

BENEFIT AND USE OF OPINION

The Opinion is provided solely for the supervisory board of the Target to assist with the evaluation of the Offer Price. In accordance with the terms of the Engagement Agreement, Macquarie herewith grants the Target's supervisory board permission to disclose the fact that Macquarie has provided its Opinion in connection with the Transaction and to disclose this letter in connection with the publication of the Reasoned Opinion, in each case subject to and in accordance with the terms of the Engagement Agreement.

This letter may not be used or relied upon by, in any matter and for any purpose, and does not confer any rights or remedies upon, holders of the Target Shares or other securities, any creditor, supplier or customer of the Target or any other person (including for the avoidance of doubt, the Target and its contractors, directors and shareholders). Neither this letter nor the Opinion may be quoted, referred to, reproduced, summarised, disseminated or otherwise disclosed, except that the supervisory board of the Target may refer to the fact that Macquarie has provided this letter and the Opinion contained herein and may attach a copy of this letter to the Reasoned Opinion, provided that any description of, or reference to, us is in a form acceptable to us and, if a copy of this letter is included in the Reasoned Opinion and/or provided to any third party, this letter is disclosed in full including any additional disclaimers that Macquarie may reasonably require. A copy of the letter may also be provided to the Target's other professional advisers with Macquarie's prior written consent provided that the recipient expressly acknowledges that the letter is received on a non-reliance and confidential basis, for information purposes only, and that Macquarie shall have no liability to the recipient or any third party as a result of such provision. For the avoidance of doubt, no contractual relationship shall exist or arise under any circumstances between any shareholder, securities holder or third-party recipient and us in relation to this letter or the Opinion contained herein. No shareholder, securities holder nor any third-party recipient shall be included in the scope of protection of this letter or the Opinion contained herein, even if this letter or the Opinion contained herein has been disclosed to a shareholder, securities holder or a third party recipient with our prior written consent.

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SCOPE OF REVIEW CONDUCTED BY MACQUARIE

In providing the Opinion, Macquarie has reviewed and relied upon (without verifying or attempting to verify independently the completeness or accuracy thereof), among other things, the following:

- certain internal financial forecasts, analyses and other internal business and financial information relating to the Target, prepared by or on behalf of the Target and certain of its advisers and provided to Macquarie for its use by or at the direction of senior management of the Target (including, without limitation, the management board of the Target) and certain other representatives of the Target;
- various Q&A sessions with the Target's management, finance and controlling team and their financial advisers related to, among other things, the Target's past and current operations, financials and key assumptions of the financial forecasts including aspects of the long-term normalized financial performance prospects of the Target;
- the Offer Document;
- certain financials and market data (websites, annual/ quarterly reports, investor/ company presentations, FactSet, Bloomberg, etc.) with respect to the Target and other listed companies considered relevant by Macquarie; and
- publications/ reports by equity research analysts on the Target and other comparable companies considered relevant by Macquarie.

KEY ASSUMPTIONS AND LIMITATIONS

Macquarie has prepared this letter following the review, to the extent considered relevant by Macquarie, of the financial and other information referred to above only. This letter is rendered on the basis of securities market, economic and general business and financial conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of the Target as reflected in the information and documents reviewed by us (as referred to above) and as represented to us in our discussions with the team of the Target as of the date hereof. For the avoidance of doubt, this letter and analysis do not take into account any effects from the Transaction (including the Capital Increase). In our analysis, numerous assumptions were made with respect to industry performance, general business and economic conditions and other matters of significance to this letter, many of which are beyond the control of any party involved and we assume no responsibility for the accuracy of such assumptions.

Macquarie has assumed that the Offer will be completed substantially in accordance with the terms set forth in the Offer Document and without any amendments, waiver of conditions, delays or requirements (including divestiture requirements), the effect of which would be in any way meaningful to our analysis or have an adverse effect on the Transaction or the Target or its business.

Macquarie has assumed that all governmental, regulatory and other consents and approvals necessary for the implementation of the Transaction will be obtained in a timely manner without any adverse effect on the Target or the Transaction.

Macquarie has assumed and relied upon the accuracy, completeness and fair presentation of all of the financial and other information which has been obtained from public sources or received from the Target and its consultants, advisers or otherwise pursuant to the Engagement Agreement, including the information referred to above (the "Information"). Macquarie has not and does not assume any responsibility or liability for the accuracy or completeness of the Information and this letter is conditional upon the completeness, accuracy and fairness of the Information and has been provided on the assumption (which Macquarie has not independently verified) that there is no additional information or other matter that has not been disclosed to Macquarie by the Target that could reasonably be considered to have a material effect on, or be relevant to, this letter or the Opinion. Subject to the exercise of our professional judgement, and except as expressly described herein, Macquarie has not attempted to verify independently the accuracy or completeness of any such Information. Macquarie has not prepared or obtained any independent valuation or appraisal of any of the assets or operations of the Target, nor has Macquarie undertaken any inspection of the assets of the Target or evaluated the solvency or fair value of the Target under any applicable law relating to bankruptcy, insolvency or similar matters.

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Further, this letter is necessarily based on current economic, monetary, market, political, regulatory, operational and other conditions as in effect on, and on the Information made available to us as of, the date hereof. Although we reserve the right to change or withdraw the views set out in this letter if we learn that any of the Information upon which we relied in preparing this letter was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw this letter for any reason after the date hereof. We note that our view was formed in times in which economic, financial and capital markets conditions are considered volatile subject to changing external conditions such as, *inter alia*, geopolitical and regulatory developments. Subsequent developments (including but not limited to developments in financial and economic conditions and in securities and resources markets, in the industry in which the Target operates, geopolitical developments, but also developments arising from potential regulatory action in connection with the Transaction) may significantly affect the Opinion expressed in this letter.

Macquarie is not a legal, tax, accounting, regulatory or actuarial adviser. Macquarie has neither performed an audit as defined by German or any other law, nor undertaken any kind of due diligence on or in connection with the Information. We do not express any opinion as to any tax or other consequences that might result from the Transaction, the Capital Increase or any related transactions, nor do we express any opinion as to any legal, tax, regulatory, accounting, geological or environmental matters, as to which we understand that Target obtained such advice as it deemed necessary from qualified professionals.

This letter does not assess in particular, but without limitation, any of the following points (i) the payment terms and other conditions of the Offer Price, (ii) the terms or any other aspect of the Capital Increase; (iii) any legal or fiscal assessment of the structure of the Transaction (or any part thereof), (iv) any possible effects on any shareholders if the Offer is accepted or not accepted, (v) the likely timeframe in which the Offer and the Transaction will be consummated, or (vi) the future value of the Target Shares (including, for the avoidance of doubt, as at or after completion of the Transaction including the Capital Increase). This letter addresses only the fairness of the Offer Price to Target's shareholders to whom the Offer is made, from a financial point of view and is provided exclusively to the supervisory board of the Target without regard to individual circumstances of any shareholders of the Target, and it is not a recommendation to shareholders to accept or not accept the Offer. We express no view or opinion as to any other terms or aspects or implications of the Transaction, including the Capital Increase, or any related transaction, including, without limitation, the form or structure of the Transaction, including the Capital Increase, or any related transactions, adjustments, any outstanding litigation or retained assets or liabilities or any other agreements or arrangements entered into in connection with, or otherwise contemplated by, the Transaction, including the Capital Increase, or any related transaction.

CONCLUSION

Based upon our analysis and subject to all of the foregoing, having taken into account the assessment of the Target's transaction team and advisers, we are of the view that, as of the date hereof, the Offer Price is fair to the Target's shareholders to whom the Offer is made from a financial point of view.

This letter is rendered in the German language. If this letter is translated into any language other than German and in the event of any discrepancy between the German language and such other language version, the German language version shall always prevail. This letter is governed by the laws of the Federal Republic of Germany.

Yours faithfully

Macquarie Capital France SA
Niederlassung Deutschland

Dr. Rainer Langel
Senior Managing Director
Macquarie Capital

Sung-Duk Kim
Managing Director
Macquarie Capital

Annex 5 – Fairness Opinion of Rothschild & Co dated 7 November 2024



**NON-BINDING ENGLISH CONVENIENCE TRANSLATION
ONLY THE GERMAN VERSION IS BINDING**

To the
Supervisory Board of Covestro AG
Covestro AG
Kaiser-Wilhelm-Allee 60
51373 Leverkusen

7 November 2024

Ladies and Gentlemen,

We have been informed that ABU DHABI NATIONAL OIL COMPANY (ADNOC) P.J.S.C.'s ("**ADNOC**") affiliate company ADNOC International Germany Holding AG (the "**Bidder**") intends to acquire all outstanding shares of Covestro AG ("**Covestro**" or the "**Client**") for a consideration of EUR 62 per share in cash. The share capital of Covestro is divided into 189,000,000 bearer shares with a nominal value of EUR 1.00 per share (the "**Covestro Shares**"). The Covestro Shares are admitted to trading on the Frankfurt Stock Exchange under the German securities identification number 606214 in the regulated market.

In this context, on 1 October 2024 the Bidder announced pursuant to Sec. 10 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz* ("**WpÜG**")) its intention to offer the shareholders of Covestro the acquisition of their Covestro Shares for a consideration of EUR 62 per Covestro Share in cash (the "**Consideration**") as part of a voluntary public takeover offer (the "**Takeover Offer**"). Furthermore, the Bidder submitted this Takeover Offer to the shareholders of Covestro in accordance with the terms and conditions set out in the offer document by means of a mandatory publication on 25 October 2024 pursuant to Sec. 14 Para. 2 and 3 WpÜG. The acceptance period of the Takeover Offer commenced with the publication of the offer document on 25 October 2024 and will presumably expire on 27 November 2024. If the original acceptance period has not been extended until the end of the original acceptance period and none of the conditions of the Takeover Offer have finally lapsed or been waived, the further acceptance period is expected to run from 3 December 2024 to 16 December 2024.

Pursuant to an announcement in accordance to Sec. 23 Para. 1 Sent. 1 No. 1 WpÜG, the Takeover Offer has been accepted as of 1 November 2024, 18:00 hours (Frankfurt am Main local time) (the "**Reporting Date**") for a total of 1,596,849 Covestro-Shares. This corresponds to a proportion of approximately 0.84 per cent of Covestro's share capital and voting rights existing as of the Reporting Date.

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In addition, the Bidder has notified that as of the Reporting Date companies or persons affiliated or acting in concert with the Bidder have acquired 18,355,897 Covestro Shares outside the Takeover Offer. This corresponds to a proportion of approximately 9.71 per cent of Covestro's share capital and voting rights existing as of the Reporting Date.

ADNOC, the Bidder, ADNOC International Limited (together with the Bidder, the "**Investor**") and the Client have agreed, and the Management Board and Supervisory Board of Covestro each have adopted the decision in principle, to increase the share capital of Covestro by EUR 18,900,000 from the authorised capital, excluding subscription rights of existing shareholders, upon completion of the Takeover Offer (the "**Capital Increase**") and to offer all thereby newly created shares to the Investor for a consideration of EUR 62 in cash. In the event that an exclusion of subscription rights is not possible based on the stock market price of the Covestro Shares at the time of the resolution, the Client and the Investor have agreed that the Investor will provide Covestro with an amount equivalent to the Capital Increase in cash as a shareholder loan at certain terms which are in any case at arm's length at the respective point in time (the "**Shareholder Loan**"). The implementation of the Capital Increase or the Shareholder Loan is subject to the final approval of the Management Board and Supervisory Board of the Client.

Against this background ADNOC, the Investor and Covestro have entered into a binding investment agreement on 1 October 2024 which, in addition to the provisions regarding the Takeover Offer and the Capital Increase or the Shareholder Loan, also contains obligations of the Investor with respect to, inter alia, (i) the future strategic and operational direction of Covestro, (ii) the future corporate governance of Covestro and (iii) the future relationship of Covestro with its own employees (the "**Investment Agreement**").

The Takeover Offer, the Capital Increase or the Shareholder Loan and the Investment Agreement are hereinafter referred to as the "**Transaction**".

In connection with the Transaction, the Client has requested our opinion as to the fairness of the Consideration to the shareholders of Covestro (excluding the Bidder and the companies or persons affiliated with or acting in concert with the Bidder) from a financial point of view (the "**Opinion**").

We are acting as financial advisor to the Supervisory Board of Covestro in connection with the Transaction and have agreed a customary fee for our services with Covestro, a substantial portion of which will become due upon delivery of this Opinion. Covestro has agreed to reimburse us for expenses incurred in connection with our engagement and to indemnify us against certain liabilities and obligations which may arise in connection with our engagement for Covestro. Neither we nor our affiliates are currently acting for the Bidder or its affiliates in relation to the Transaction. We and/or affiliates of us may, however, currently and/or in the past and/or in the future have business relations with Covestro, the Bidder and/or their respective affiliates in the context of which fees have or will be paid. Affiliates of us are engaged in financial advisory services, wealth management, securities trading and other activities and services which may from time to time result in them acquiring, holding, or disposing of securities or other financial instruments of any kind of Covestro or the Bidder or their respective affiliates for their own or others' accounts.

This letter does not address the relative merits of the Transaction compared to other business strategies or transactions that may be available to Covestro. We have not been engaged to provide an opinion on the material terms of the Transaction (except for the fairness of the Consideration to the shareholders of Covestro – excluding the Bidder and the companies or persons affiliated with or acting in concert with the Bidder – from a financial point of view), nor does this letter contain such an opinion. Furthermore, this Opinion does not contain a recommendation regarding the joint reasoned



statement to be delivered by the Management Board and Supervisory Board of Covestro pursuant to Sec. 27 Para. 1 WpÜG.

In connection with this Opinion, we have, in coordination with the Client, based our assessment inter alia on the following documents:

- i. The published offer document of the Bidder dated 25 October 2024;
- ii. The final draft of the joint reasoned statement of the Management Board and Supervisory Board of Covestro to be prepared pursuant to Sec. 27 WpÜG dated 6 November 2024;
- iii. The final Investment Agreement between ADNOC, the Investor and the Client dated 1 October 2024;
- iv. The presentation “Supervisory Board Meeting Project Adenauer” for the Supervisory Board meeting of Covestro on 1 October 2024, received in September 2024, as well as various presentations for other meetings of the Supervisory Board of Covestro, received between September 2023 and September 2024;
- v. The annual reports of Covestro for the three fiscal years that have ended on 31 December 2021, 2022, and 2023, as well as certain interim reports of Covestro;
- vi. Certain other presentations and announcements of Covestro to its shareholders;
- vii. The business plan of Covestro for the years 2024 to 2028, received in January 2024, as well as an update of the business plan, received in March 2024;
- viii. The financial impact of the investment in a new plant for the production of methylene diphenyl diisocyanate (MDI) on the business plan and the period after 2028, received in January 2024;
- ix. Selected information on the current business performance of Covestro in the second quarter of 2024, as well as an updated forecast (FC3) for the fiscal year 2024, received in July 2024;
- x. Selected information on the current business performance of Covestro in the third quarter of 2024 as well as an updated forecast (FC4) for the fiscal year 2024 and 2025, received in October 2024;
- xi. Information on selected parameters affecting the valuation of Covestro (amongst others net debt, tax characteristics, assumptions regarding the long-term financial development of Covestro to derive the terminal value in the discounted cash flow analysis, impact of leasing transactions under IFRS 16), received in July 2024;
- xii. Valuation documents and excerpts thereof prepared by the additional financial advisors of the Client, received between September 2023 and September 2024;
- xiii. Selected publicly available business and financial reports and presentations of the Client’s relevant competitors;
- xiv. Selected publicly available economic, business, and financial information about the markets in which Covestro operates;
- xv. Selected reports published by equity research analysts and consultants, containing amongst others information, forecasts and analyses concerning Covestro, relevant competitors, and the markets in which they operate; and
- xvi. Selected capital market information provided by customary data providers.

In addition, we have:

- i. Compared the financial and operating performance of Covestro and the market price development of the Covestro Shares with publicly available information concerning other



companies we deemed relevant and reviewed the current and historical market price development of these companies' shares;

- ii. Held limited discussions with the Management Board and other representatives of Covestro regarding the business performance of Covestro, the general financial conditions, the future expectations (particularly the business plan and implementation of announced operational improvement measures), and regarding certain other circumstances;
- iii. Held limited discussions with representatives of Covestro and its other financial advisors engaged for the Transaction to get an understanding of the progress of the project;
- iv. Compared the Consideration with the publicly available financial parameters of selected other transactions deemed relevant;
- v. Based on the aforementioned information – and particularly based on the assumptions about the long-term financial development of Covestro explained by the Management Board and other representatives of Covestro for deriving the terminal value – performed discounted cash flow valuations of Covestro; and
- vi. Performed other investigations and analyses we deemed appropriate in this context.

This Opinion is based on a valuation of Covestro as it is typically conducted by financial advisors when they are engaged to prepare a Fairness Opinion in these types of transactions. This includes, for example, discounted cash flow analyses, valuations and assessments based on current and historical multiples of comparable publicly traded companies and multiples observed in comparable transactions.

We have relied on the statements of Covestro's Management Board regarding their current view on the business plan and the business plan scenarios, and have relied on the statements of Covestro's Management Board regarding their feasibility and economic viability, and have, as instructed, not independently reviewed the essential assumptions and drivers of the business plan. We have assumed that these have been carefully prepared based on the best currently available estimates and assessments of Covestro's Management Board. The issuance of this Opinion does not constitute a statement about the feasibility of these forecasts and projections or the assumptions underlying them.

For our assessment, we use valuation methods typically employed by financial advisors, which differ in some important aspects from a valuation conducted by a certified public accountant and/or a generally asset-based valuation. In particular, we have not prepared a valuation based on the guidelines published by the German Institute of Public Auditors (IDW) (IDW S1). This Opinion is not intended as a substitute for such a valuation. We do not provide an assessment as to whether it would be appropriate or necessary for the Supervisory Board of Covestro to have such a valuation prepared in connection with the present Transaction. Furthermore, we have not prepared this Opinion in accordance with the IDW Standard "Principles for the Preparation of Fairness Opinions" (IDW S8).

For the purposes of preparing this Opinion, we have relied, as instructed, on the information and documents available to us, including all explicit or implicit qualifications and assumptions contained therein. We have also assumed that all information, reports, and documents regarding financial, accounting, legal, tax, and other information that we have used are complete and accurate. We do not assume any liability for these information, reports, and documents. This applies regardless of whether the information and documents were publicly available or provided to us by Covestro or their advisors or were otherwise made available to us. For this reason, we have not conducted or independently verified the information and documents for their accuracy and completeness as instructed. Without being limited to this, we have in particular not conducted or received any expert



review regarding commercial, legal, accounting, actuarial, environmental, information technology or tax matters. Therefore, our Opinion is not based on the possible results of such an expert review.

Furthermore, we have not conducted an independent valuation or assessment of Covestro's assets and liabilities, including any off-balance-sheet assets and liabilities, and have not received any related valuations or audit reports. We have assumed that all information provided to us (particularly forecasted and estimated financial data) has been reasonably prepared based on the best currently available public information, estimates, and good faith judgments regarding the expected future operating results and financial condition of Covestro or any other company to which these analyses or forecasts relate.

Additionally, we have not considered any potential tax consequences of the Transaction or other direct or indirect costs associated with the Transaction.

We have also assumed that all governmental, regulatory, and other approvals and consents required for the Transaction will be obtained without reducing the Consideration.

This Opinion and all information and opinions contained herein are based on current market conditions and the economic, monetary, regulatory, and other conditions and the information and documents available to us as of today's date. In particular, we have relied on the assessment of Covestro's Management Board regarding the implementation of the existing business plan and business plan scenarios. It cannot be ruled out that both these assumptions and other assumptions on which this Opinion is based may change in the future. We make no statement about how the capital markets will evaluate the Transaction as a whole or what impact the Transaction may have on the valuation of the Covestro Shares. In particular, we make no statement about the advantageousness of the Transaction after the capital markets have reacted to it. This Opinion and all information and views contained herein are subject to the qualifications or assumptions expressly or implicitly contained herein. Events occurring after the signing of this Opinion may affect the Opinion and the assumptions on which it is based. We are not obligated to update, revise, or confirm this Opinion.

Additionally, changes in the business activities of Covestro and its affiliated companies or the environment in which they operate (e.g., laws and regulatory requirements applicable to Covestro) and changes in the capital markets may impact the financial planning and financial conditions of these companies.

As agreed with the Client, this Opinion is provided solely for the information and assistance of the Supervisory Board of Covestro in connection with the evaluation of the Consideration. This Opinion is neither directed to third parties nor intended for the protection of third parties. Third parties cannot derive any rights or obligations from this Opinion. This Opinion does not provide a recommendation regarding the decision of whether a holder of Covestro Shares should or should not sell these shares in connection with the Takeover Offer.

This Opinion is not a recommendation to the Supervisory Board of Covestro to support the execution of the Transaction. The existence and content of this Opinion are strictly confidential. This Opinion is subject to the provisions of the advisory agreement between the Client and Rothschild & Co Deutschland GmbH dated 28 September / 9 October 2023. This Opinion shall not be used for any purpose other than described herein. The Opinion shall not be passed on, reproduced, published or otherwise used or referred to, nor shall any public reference to us be made, without our prior written consent. The same shall apply for any references to the existence and the content of this Opinion. However, this Opinion may be published as an annex to the joint reasoned statement to be prepared



by the Management Board and Supervisory Board of Covestro pursuant to Sec. 27 Para. 1 WpÜG. In this case, the Opinion must be disclosed in its entirety.

We accept no responsibility with respect to this Opinion towards any person other than the Supervisory Board of Covestro in connection with the Transaction and in relation to the content of this Opinion, even if this Opinion has been disclosed with our consent..

This Opinion has been drafted in German language. Should a version in another language become available, only the German version shall be binding.

Based upon and subject to the foregoing, we are of the opinion that, as of the date hereof, the Consideration is fair from a financial point of view to the shareholders of Covestro (excluding the Bidder and the companies or persons affiliated with or acting in concert with the Bidder).

Very truly yours,

Rothschild & Co Deutschland GmbH

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