

Thursday, April 30, 2026

Charting New Paths.

Speech by Christian Kötz
CEO of Continental Aktiengesellschaft
at the Annual Shareholders' Meeting for fiscal 2025
on April 30, 2026

Check against delivery

Ladies and gentlemen, this is natural rubber.
It's made from the liquid latex of the rubber tree,
stabilized with proteins, resins and minerals.

As you can see,
a lot has to happen before it becomes a tire.
It must be specially processed into a material that can withstand extreme stresses and loads.
Some elements have to be removed and others added to unlock the "power" of this high-performance material.

Carbon black or silica, oils, sulfur and other additives are required.
Up to 100 different raw materials go into making a tire.
What matters most is the right mix.
Or, as we like to say, the recipe.
This is what transforms the raw material into a high-performance product.

Then comes the crucial step: cross-linking through heat,
in a process known as vulcanization.
Heat and sulfur give the tire its strength and durability.
It's molded into its final form and ingrained with its tread.
And it's given the properties that make it so valuable:
It cushions, grips, withstands heat and cold, and is more resilient to wear and tear.

In short:
Focus, formulate, fortify – that's the principle of tire production.

And it's the same principle that has guided us in our realignment of Continental:
We too have sharpened our focus.
We have formulated our recipe for success.
And now we are concentrating on a true high-performance product with a clearly defined profile:
a company with a proud heritage
that is now charting new paths.

Welcome, ladies and gentlemen, to the Annual Shareholders' Meeting of Continental
Aktiengesellschaft.

Looking around, you'll notice
quite a lot has changed.

For example, there's a new face in front of you.

My name is Christian Kötz.

Until recently, I was the Executive Board member responsible for the tire business.

Four months ago, I took over as CEO from my predecessor and long-standing colleague, Nikolai Setzer.

This responsibility fills me with respect and pride.

It also means a great deal to me personally.

Because today is almost exactly 30 years to the day

since I joined Continental

as a trainee in the Tires group sector.

Since then, Continental has been a part of my life.

That's why it means so much to me to take over as CEO at this time.

Continental is currently undergoing a profound transformation –

the most far-reaching in its more than 150-year history.

The world around us is constantly changing too.

We are experiencing geopolitical shifts,

trade conflicts and tariffs,

exchange-rate effects,

strained supply chains,

crises and wars.

All of this is creating uncertainty.

It is putting established business models to the test.

And it is increasing pressure on our industry worldwide –

especially in terms of competition between locations.

Continental is not immune to these challenges.

But we have something we can fall back on:

more than 150 years of experience.

We have reinvented ourselves time and time again in the past – especially in times of upheaval.

Now we are doing so again.

For the first time in our history, Continental will become a pure-play tire manufacturer.

That means focusing our efforts

and charting a clear path forward.

As Professor Reitzle just said,
large, broad-based corporations are finding it increasingly difficult to succeed.
The world is changing at an unprecedented pace.
Only highly focused organizations will be able to keep up –
companies that make decisions quickly
and operate efficiently.

That's why we have been transforming our former group sectors into
independent, self-reliant companies.

This process began in 2021 when we spun off our powertrain division,
creating Vitesco Technologies.

In September 2025, our Automotive group sector went public as an independent company under the
name Aumovio –
a globally positioned supplier for safe, exciting, connected and
autonomous mobility of the future.

We also sold off our business that produces hoses and bearing elements
for the automotive industry – OESL – in February of this year.

And we've been holding intensive negotiations with potential buyers
for our ContiTech group sector, our industrial specialist.
Interest is strong.

And for good reason, since ContiTech is one of the leading providers of industrial products and services –
in agriculture, industrial applications and the food and furniture sectors.

ContiTech is also extremely well positioned technologically
and is tackling issues that are becoming increasingly important for industry.

One example is carbon storage in the North Sea,
where specialized hoses are needed that can withstand extreme pressure underwater.

Then there are specialized cooling hoses for data centers,
which stabilize server temperatures –
enhancing energy efficiency, preventing outages and extending the service life of equipment.

ContiTech is also researching new, more sustainable raw materials.
You already know about natural rubber from dandelions we use for our tires.

But now we are taking things to the next level with plastic-producing bacteria.
These cyanobacteria grow using light and carbon dioxide,
producing a material that can replace oil.
It's completely bio-based and suitable for numerous applications: cars, furniture and many
everyday surfaces.

This research is still in its early stages,
but the potential is huge.
The German Federal Ministry of Research, Technology and Space agrees
– that's why it's supporting the project.

ContiTech is investing in the future in other ways as well.
In the future of its plants, for example.
Our principle remains: in the market for the market.
Like in the USA, where we are moving closer to our customers
and expanding our plant in Mount Pleasant, Iowa.
This plant will be home to a new facility for rubber compounding,
with an investment totaling USD 85 million.

ContiTech is strong technologically.
In 2025, including OESL, the group sector generated sales of €6 billion
with an adjusted return on sales of 5.3 percent.

This was slightly below what we expected at the start of the year,
reflecting the challenging conditions in the industry.
But we have taken decisive action.
Measures taken in 2025 will already improve ContiTech's earnings in 2026.

"Focus" is the guiding principle for our Tires group sector as well.
This will be the new Continental: a pure-play tire company with around 55,000 employees and
16 research and development locations around the world.
And with a strong position in all key markets.
In 2025, we generated around 50 percent of our tire sales in Europe,
33 percent in North and South America
and 14 percent in Asia.

This global presence makes Continental one of the top tire suppliers for automotive manufacturers worldwide, especially for electric vehicles.

Seventeen of the 20 highest-volume electric vehicle manufacturers around the globe put their trust in Continental tires.

In Europe, we supply the 10 highest-volume manufacturers of electric vehicles.

In America, Continental equips eight of the 10 leading electric vehicle producers.

In the Asia region, seven of the top 10 choose Continental.

A key focus in all of these markets is sustainability.

We made significant progress in this area last year.

Since the beginning of this year, we no longer use coal and oil as energy sources for generating heat at any of our tire production sites worldwide.

All European plants where we produce new tires are certified for traceability of materials according to an internationally recognized standard.

In 2025, we reduced greenhouse gas intensity in tire production by over 10 percent.

By 2030, we aim to use at least 40 percent renewable and recycled materials in our tires. Last year, we increased this share from 26 to 28 percent.

Our new city bus tire, the Conti Urban NXT, and our new commercial vehicle tire, the Conti EfficientPro, already reduce rolling resistance and increase range.

Furthermore, in 2025 our UltraContact NXT was once again recognized for its high share of renewable and recycled materials, as well as for its excellent performance.

Our products also impressed our customers in 2025.

Sales in the Tires group sector were roughly on a par with the previous year at €13.8 billion, as was our adjusted EBIT margin of 13.6 percent.

We achieved all this in a challenging environment.

We responded quickly to the strong headwinds from tariffs and negative exchange rates.

We reduced costs.

We utilized local operations to maximum capacity and impressed our customers with excellent service.

And our efforts paid off: despite the difficult conditions facing us in 2025, we achieved our targets both for the Continental Group and for Tires.

Our consolidated sales amounted to €19.7 billion in 2025, up 0.8 percent in organic terms.

We achieved an adjusted EBIT margin of 10.3 percent, while the adjusted operating result was €2 billion.

In total, we generated net income before non-cash special effects of €1.1 billion.

Adjusted free cash flow was just under €1 billion, at the upper end of our expectations.

Based on these results, we are proposing a dividend of €2.70 per share, which amounts to around €540 million.

This is in the middle of our dividend range of 40 to 60 percent of net income before non-cash special effects.

And it means the dividend is higher than it was last year, when we were still a larger company.

This distribution is possible thanks to our robust balance sheet, as demonstrated by our credit ratings and solid financing position.

Our equity ratio is 23 percent.

Our net indebtedness stands at €5.2 billion.

We will continue to reduce our debt step by step, supported by the planned sale of ContiTech and the strong capital inflows from our tire business.

But the main reason for Continental's success is the outstanding commitment of our employees around the world.

Especially given the demanding environment and the challenges of our realignment.

Our global team meets these challenges with exceptional expertise and a deep passion for our products.

Integrity is at the heart of everything we do.

At Continental, everyone knows this is crucial to our long-term success.

We comply with laws and uphold ethical standards.

And we take responsibility – for one another and for the society around us.
Every day, across all areas – and far beyond our day-to-day work.

One example is our employees in Poland.

For the past 10 years, our team there has been working with a center for rehabilitation and education.
Together, they organized an “Action Day” at our offices for the children and young people there.

The young visitors were able to experience what it’s like to work in various roles at an international company – from reception and marketing to IT and sales.

It was an inspiring day for the youngsters.

And of course they had lots of fun.

For many of our employees, it was a deeply moving experience

– one that defines what we are at our core:

We show initiative, we stand by each other and we embrace inclusion. That’s what Continental is all about.

On behalf of the entire Executive Board, I’d like to thank all employees for their exceptional team spirit.
It’s you who make initiatives like these possible.

I’d also like to thank my predecessor, Nikolai Setzer.

You spent 16 years shaping the company as a member of the Executive Board.

First, in the tire business,

where you laid the foundations for today’s success.

Then, as Executive Board member for Automotive

and, ultimately, as CEO of Continental AG.

You guided us successfully through the coronavirus pandemic and the semiconductor crisis,
and were a driving force behind our realignment.

Thank you, Niko!

My sincere thanks also go to the Supervisory Board for its committed and expert support on our realignment journey.

Especially to you, Professor Reitzle.

Without your personal dedication, Continental would not be where it is today.

You’ve led us to the threshold of this new, exciting chapter.

You provided crucial impetus
for the clear strategic direction of our group sectors
and for their independence.

And you always supported the process
in close dialogue with our key shareholders,
with tremendous energy and expertise.

As your term comes to an end at today's Annual Shareholders' Meeting, you leave with our very best wishes – from the Executive Board and, I am sure, from many gathered here and elsewhere.

We wish you all the best!
And we hope you will keep Continental in your heart!

Ms. Soussan, I am looking forward to a trustful exchange with you,
and to the next steps we will take together.

Ladies and gentlemen, one thing is certain:
The future is promising.

Yes, conditions remain challenging
The wars in Ukraine and now also in the Middle East are taking a serious toll –
on the people directly affected
and on the global economy as a whole.

The tire markets, too, will see only limited growth.

But we remain committed to improving in line with our mid-term targets.
Our confidence is based on several success factors.

Our strength lies in the right mix – just like in tire production.
It is our very own Continental recipe.

It consists of four key ingredients:
top technology in our products,
state-of-the-art manufacturing,
efficient distribution
and our strong brand, supported by our strong team.
Our formula for success in technology is

UHP – ultra-high-performance.

Tires measuring 18 inches and above,
which are mainly used for SUVs and electric models.

Last year, UHP tires accounted for 62 percent of our sales of Continental-branded car tires –
up 2 percentage points from the previous year.

Across all brands, they made up 55 percent of our passenger tires.

This strong position gives us momentum.

We continue to see a lot of potential for ultra-high-performance tires moving forward.

In the coming years, the UHP market is expected to grow by around 8 percent per year on average.

SUVs remain in high demand.

And the share of electric vehicles looks set to grow further.

To get a better idea of the top technology that goes into our UHP tires,
let's take a closer look at the SportContact 7.

Not only did it place first in every German test it took part in,
but it also received numerous international awards.

Here you can see why:

Reliable driving performance
in both wet and dry conditions.

Maximum safety and precise handling
when cornering,
at high speeds
and in hazardous situations.

Magazine *Auto Bild* called it the "handling king,"
praising its steering response
and its shortest braking distance among all tires tested.

Their final verdict: "exemplary."

Behind this performance are groundbreaking innovations.

An adaptive tire tread that adjusts to driving conditions in real time
to ensure optimal grip.

The soft BlackChili compound,
perfectly matched with a special tread to deliver flexible performance

and longer tire life.

And a first for us:

The SportContact 7 is tailor-made for different vehicle classes and sizes.

So no matter what model of car you drive,
the tire precisely matches the vehicle's characteristics,
delivering that unmistakable SportContact feeling.

But, ladies and gentlemen, quality alone is not enough.

Competitive pricing also matters.

As do rapid and reliable deliveries.

These are the second and third ingredients of our Continental recipe:

highly efficient production and logistics.

At the heart of this are our eight mega factories.

Like the ones in Hefei (China), Lousado (Portugal) or Mount Vernon (USA).

In Lousado, we already have a production capacity of more than 18 million tires per year,
which will allow us to meet growing customer demand with maximum efficiency and quality.

Specifically, we are investing where demand calls for it – in the market for the market.

Today, we already manufacture around 80 percent of our tire production volume in high-efficiency
mega factories like these.

Across our 19 tires plants worldwide, we manufacture more than 14,000 different products each year.

This variety makes logistics highly complex.

That's why we operate our own distribution and storage centers – some fully automated –
and a tightly knit logistics network.

Our focused and agile organization allows us to respond quickly and effectively to customer needs.

In Europe, over 90 percent of Continental tire orders arrive
the very next day.

The fourth ingredient of our Continental recipe is a strong brand.

Driven by our committed and motivated employees,

Continental enjoys an excellent reputation worldwide

and is known for its outstanding quality.

Last year, our products were ranked among the top three in 65 tests.

We reached the podium in over 80 percent of expert tests – across all three world regions.

In Germany, we were recently named “best tire brand.”

Spurred on by accolades like these, our global team works day in, day out to ensure Continental remains successful, creating reliable value with a resilient business model even under difficult conditions like those we are facing now.

For 2026, we forecast sales in Tires of €13.2 billion to €14.2 billion and an adjusted EBIT margin of 13.0 to 14.5 percent.

For ContiTech, we expect sales of €4.2 billion to €4.8 billion and an adjusted EBIT margin of 7.0 to 8.5 percent.

For the Continental Group, we anticipate sales of €17.3 billion to €18.9 billion and an adjusted EBIT margin of 11.0 to 12.5 percent.

Adjusted free cash flow is expected to be between €0.8 billion and €1.2 billion.

So you see, ladies and gentlemen, we are looking to the future with confidence. Even if conditions remain challenging.

Because we know what sets us apart from the competition:

Contact.

The contact our tires have with the road.

And the contact we have with people:

With our customers,

With our teams

And with you, our shareholders.

That is our strength.

So even if the road ahead is bumpy, we will stay firmly on track.

Robust.

Focused.

Performing at the highest level.

And with the right mix for the future.

We have innovative technologies.

We have a solid financial base.

We have highly efficient processes.

We have a strong brand.

And we have an exceptional team: global, experienced and innovative.

You can count on that.

As customers.

And also as shareholders of Continental AG.

Thank you!