

07-Nov-2025

The Chemours Co. (CC)

Q3 2025 Earnings Call

CORPORATE PARTICIPANTS

Brandon Ontjes

Vice President & Head-Strategy & Investor Relations, The Chemours Co.

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

OTHER PARTICIPANTS

John P. McNulty

Analyst, BMO Capital Markets Corp.

Peter Osterland

Analyst, Truist Securities, Inc.

John Roberts

Analyst, Mizuho Securities USA LLC

Arun Viswanathan

Analyst, RBC Capital Markets LLC

Joshua Spector

Analyst, UBS Securities LLC

Duffy Fischer

Analyst, Goldman Sachs & Co. LLC

Hassan Ahmed

Analyst, Alembic Global Advisors LLC

Laurence Alexander

Analyst, Jefferies LLC

Jeffrey J. Zekauskas

Analyst, JPMorgan Securities LLC

Vincent Stephen Andrews

Analyst, Morgan Stanley & Co. LLC

Roger Spitz

Analyst, BofA Securities, Inc.

Aaron Rosenthal

Analyst, JPMorgan Securities LLC

MANAGEMENT DISCUSSION SECTION

Operator: Good morning. My name is Gigi, and I'll be your conference operator today. I'd like to welcome everyone to the Chemours Company Third Quarter 2025 Results Conference Call. Currently, all participants are in listen-only mode. A question-and-answer session will follow the conclusion of the prepared remarks. I would like to remind everyone that this conference call is being recorded.

I would now like to hand the conference call over to Brandon Ontjes, Vice President, Head of Strategy and Investor Relations for Chemours. You may begin your conference.

Brandon Ontjes

Vice President & Head-Strategy & Investor Relations, The Chemours Co.

Good morning, everybody. Welcome to the Chemours Company's third quarter 2025 earnings conference call. I'm joined today by Denise Dignam, Chemours' President and Chief Executive Officer; and our Senior Vice President and Chief Financial Officer, Shane Hostetter.

Before we start, I would like to remind you that comments made on this call, as well as in the supplemental information provided on our website, contains forward-looking statements that involve risks and uncertainties as described in Chemours' SEC filings. These forward-looking statements are not guarantees of future performance and are based on certain assumptions and expectations of future events that may not be realized. Actual results may differ, and Chemours undertakes no duty to update any forward-looking statements as a result of future developments or new information.

During the course of this call, we'll refer to certain non-GAAP financial measures that we believe are useful to investors evaluating the company's performance. A reconciliation of non-GAAP terms and adjustments is included in our press release issued yesterday evening. Additionally, we posted our earnings presentation and prepared financial remarks on our website yesterday evening as well.

With that, I will turn the call over to Denise Dignam.

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

Thank you, Brandon, and thank you, everyone for joining us. During today's call, I will begin by discussing highlights from our third quarter performance and will then turn it over to Shane, who will provide details around our outlook. Finally, I will provide updates on meaningful progress on our Pathway to Thrive strategy, along with strategic developments before taking your questions.

For our third quarter performance, we exceeded our adjusted EBITDA expectations, despite persisting macroeconomic weakness that affected some economically-sensitive sectors of our business. Our stronger earnings were driven through diligent commercial execution in stationary aftermarket sales of Opteon Refrigerants under the backdrop of the 2025 US AIM Act stationary equipment transition, further supported by lower corporate costs. While we had highlighted some anticipated operational disruptions heading into the third quarter, these issues are now resolved, aided by our manufacturing Center of Excellence, enabling quicker response and enhanced issue mitigation.

Now, turning to each segment's performance in the third quarter, starting with TSS. Our TSS business reported another quarter with results exceeding earning projections as Opteon sales maintained double-digit growth of 80% compared to the prior-year quarter. This marks a third quarter record for Opteon sales. The increase in Opteon was primarily due to higher pricing and volume associated with sales into the stationary aftermarket in connection with the US AIM Act's residential and commercial HVAC equipment transition this year.

Throughout this transition, the TSS team displayed its focus on commercial excellence, capturing sales opportunities while making efficient use of our quota allowances. As a result of the achievement, Opteon Refrigerants now account for 80% of total refrigerant sales, an increase from 58% in the previous year. TSS's excellent commercial discipline drove earnings performance and a 35% adjusted EBITDA margin, underscoring the strength of our differentiated portfolio and ability to capture profitable growth tied to the regulatory transition.

This earnings performance also reflected some higher-than-anticipated one-time costs associated with continued investments to commercialize our liquid cooling product. The latest notable achievement in this journey being the recent successful technical qualification of our two-phase immersion cooling fluids by Samsung Electronics. Altogether, this was an industry-leading performance from TSS, outpacing our third quarter adjusted EBITDA expectations and setting a solid foundation as we head into the fourth quarter and next year.

Turning to APM. APM also drove solid top-line performance for the third quarter, which ensured earnings performance was in line with our expectation. Washington Works was back up and safely running by mid-August following the external utility disruption due to the diligent response effort from our site team. In addition to driving expected earnings results, the APM business continue to make notable progress to execute upon our portfolio management efforts, completing the shutdown of the SPS Capstone product line during the third quarter.

Adding to this strategic execution, the APM business also announced an agreement with SRF Limited in India to support needs for essential applications. This partnership positions our company to benefit from a more flexible and robust operational footprint while providing optionality to better serve our dynamic customer base.

Moving to TT. In the third quarter, TT delivered overall results below our expectations, primarily due to sustained macro weakness across the global TiO₂ market. In our key Western markets, we experienced seasonal trends compounded by some near-term destocking that was partially offset by some sequential pricing strength. In these Western markets, we view this destocking activity as short term as customers look to preserve cash, as they navigate uncertainties in exiting the year.

Alternatively, in our non-Western markets, sequential pricing weakness was offset by sequential volume strength. Despite challenges in the broader market, our team demonstrated resilience while effectively addressing anticipated disruptions. Through our efforts, we're now well-positioned to minimize future disruptions and respond proactively to external factors that may arise.

While the broader market has yet to indicate improvements, we remain steadfast in our pursuit of a value-based commercial strategy. This approach is aligned with the higher product quality that we provide to our customers and is reflective of the competitive advantages that we provide in reliability, customer service, and sustainability. In line with this approach, in the fourth quarter, we've recently communicated a global pricing increase which is reflective of our value in the market.

As we look at global market capacity, during the third quarter, we continued to see capacity rationalization of Chinese production and other Western producers as the market continues to realign to a weaker demand environment. While it is clear that exports of Chinese product continue, albeit at lower rates than last year, much

of this inventory continues to be exported to Southeast Asia, the Middle East, and Africa, and parts of Latin America. In light of this, we are seeing the recent fair trade actions in Europe holding strong with additional supply in the market due to excess inventory from a Western producers' inability to continue operations in the third quarter.

Also, we're pleased to see finalized fair trade actions taken in Brazil and the Kingdom of Saudi Arabia. However, note that it will take some months for the existing oversupply of titanium dioxide's inventory to work its way through the system in these markets. We believe these changes in the global supply environment provide longer-term opportunities in Western markets, but they are more muted in the near term due to the continued macro weakness and additional inventories in the system. I will provide additional perspectives on our strategic progress and our path for TT after Shane shares his update on our guidance for the period ahead.

At the corporate level, we continue to make progress against our underlying cost structure. While we did incur some slightly more favorable costs, partially due to the timing of certain legal spending, a portion of these lower costs are due to the continued cost efforts that the company has executed over time.

With that, I'll turn it over to Shane to walk through our outlook.

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

Thank you, Denise, and good morning, everyone. As shared in our earnings materials, as well as the supplemental prepared financial remarks available on our investor website, I would like to now discuss our expectations for the fourth quarter and as we look ahead.

Beginning with TSS. For the fourth quarter, we expect net sales to decrease sequentially in the high-teens to low-20s percentage range, driven by traditional seasonality with continued double-digit Opteon growth. This Opteon performance is anticipated to more than offset declines in our Freon business year-over-year. TSS's adjusted EBITDA is expected to decrease sequentially, ranging between \$125 million and \$140 million, also driven by seasonality.

As we make progress on our next generation refrigerants and liquid cooling solutions, we anticipate continued investments to support our commercialization and product sampling efforts. Similar to the \$22 million in costs we saw this quarter reflective of some one-time production-related costs, we expect another \$8 million in the fourth quarter, bringing our full year estimate of product development cost to approximately \$40 million.

As we look ahead into next year, we anticipate that we will continue to achieve double-digit year-over-year Opteon growth into the early part of the year, as OEMs continue to transition to R-454B in the US. We also expect modest benefits from our cost-out efforts driven by our expanded capacity through our recent Corpus expansion, which will continue to expand margins over time. Also, we anticipate product development costs to be closer to \$20 million next year, consistent with earlier expectations for annual spend. Overall, we anticipate continued sales growth for TSS paired with improved earnings as we head into next year.

For our APM business, we expect net sales to decrease in the low single-digit percentage range sequentially due to market weakness in the global industrial end markets where we have more sensitivity to macroeconomic conditions. Adjusted EBITDA is expected to approximate \$30 million to \$40 million in the fourth quarter, driven by a return to normal operations at our Washington Works site, paired with continued progress on cost reduction efforts. We believe that APM's fourth quarter EBITDA will reflect our continued focus on operational excellence to

drive increased reliability paired with continued cost-out efforts and should be at a more normalized level of earnings, which we expect will continue in future quarters.

For our TT business, we expect sequential net sales to decrease in the high-single digits to low-teens percentage range, driven by seasonality, regional sales mix as well as near-term destocking, which we see continuing until the end of the year. Adjusted EBITDA is expected to decrease sequentially, ranging between \$15 million and \$20 million.

During the third quarter, the company decided to lower its production volumes concurrently with what we are seeing in TT's value chain, while near-term demand expectations remain muted. This decrease of production will result in a \$25 million cost impact to TT's adjusted EBITDA in the fourth quarter, offsetting sequential benefits from improved operations and cost reductions, but will improve TT's cash generation. As Denise shared earlier, we anticipate that this destocking will be short term as downstream customers look to conserve cash moving into the end of the year.

Looking to 2026, we anticipate some restocking efforts in the first quarter. In connection with this first quarter restocking, we expect improved earnings as we head into next year, supported by improved operational performance. However, we do anticipate muted market conditions to persist in the quarters ahead.

Considering these weaker conditions, we're placing a greater emphasis on promoting improved cash generation and will seek to closely align our production with anticipated demand. To this, when the broader market demand profile improves, we will align production which will drive improved cost absorption across our circuit. With our resolve unchanged, we continue to make good progress on costs. However, recognize that the full benefit of these reductions maybe masked by the impacts of our lower circuit operations.

On a consolidated basis, we anticipate our fourth quarter net sales to decrease 10% to 15% sequentially with consolidated adjusted EBITDA expected to range between \$130 million to \$160 million. Also, we anticipate corporate expenses to range between \$40 million and \$45 million, considering the timing of certain accrued expenses. Our capital expenditures for the fourth quarter are expected to be in the range of \$50 million, with free cash flow conversion expected to be between 50% and 70%.

Based on these metrics, we would anticipate that full year 2025 sales would range between \$5.7 billion and \$5.8 billion, with adjusted EBITDA to range between \$745 million and \$770 million with CapEx in the range of \$220 million for the year. Looking forward to 2026, at a consolidated level, we anticipate overall sales and earnings growth with improved cash flow performance, supported by continued progress on our cost-out efforts.

We remain committed to improving our enterprise's financial position to support our Pathway to Thrive strategy. Beyond the recent recapitalization of our US term loan, which extended the maturity of the facility from 2028 to 2032, we continue to review our business's portfolio, as well as looking at other avenues to create value, similar to critical minerals, which Denise will discuss in a minute.

We're also taking a disciplined approach to the review of our non-operating real estate footprint to determine how it could be optimized without impacting existing operations. Efforts like these aim to ensure that our resources are being used effectively and efficiently to further our strategic goals and to balance our financial flexibility.

With that context on our look ahead, I'd like to now hand the call back over to Denise to share a perspective on our engagement in critical minerals and our continued strategic execution under Pathway to Thrive.

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

Thank you, Shane. We continue to execute our Pathway to Thrive strategy with clarity and conviction to build on the progress we have achieved to-date across all our pillars. With that perspective, I'd like to provide additional context on where we participate in the area of critical minerals, which is concentrated in our TT business, supporting our enabling growth pillar.

While our minerals business is limited, we currently estimate approximately \$90 million in mineral sales annually, with roughly half consisting of high value minerals comprised of monazite and precision investment casting zircon. The monazite that we process domestically through our mines, which support existing titanium dioxide feedstock operations, continue to uniquely high portion of heavy rare earth elements that are used to produce permanent magnets, critical for the electric vehicle and defense markets. This attribute differentiates our domestic supply of monazite compared to other forms of rare earths found in North America.

Additionally, we're the only qualified zircon supplier into US precision investment casting applications, which is critical to the aerospace industry for both defense and commercial end uses. While our access to mines in Florida and Georgia provide the opportunity to extract these minerals, our TT business also possesses the ability to separate these critical minerals.

Considering our specialized experience in the mining and mineral separation space, which has spanned over 75 years, we have been able to leverage this expertise to more recently attract government funding around our separation capabilities. This funding is designed to support innovative separation assets and to provide a framework to drive future growth in this space. Total grant funding awarded for 2025 and 2026 approximates \$10 million.

While an area that we have operational experience in, we look forward to continuing research of this innovative separation technology to develop future critical mineral opportunities in the United States. The presence of our mineral sales in the business today, combined with the potential of government support for future opportunities, provides an exciting pathway for our company to enable growth while continuing to serve the needs of these critical end markets.

With regards to the execution of our operational excellence pillar, we have also launched the Chemours Business System to take the next step in operational excellence, applying Lean principles to drive step change improvements in safety, quality, and efficiency across our business operations. As we build on our recent operating improvements, we're also focused on pursuing further rigor in our commercial effectiveness. We believe that the reduced operational disruptions and enhanced commercial efforts will drive earnings growth as we head into next year.

As we shared in recent quarters, we remain focused on controlling what we can control, while pursuing commercial growth opportunities where we can. We are confident in our ability to close out the year and remain committed to driving long-term value for our shareholders through disciplined execution, strategic growth and operational rigor. As we continue to execute on the four pillars of our Pathway to Thrive strategy, we are routinely evaluating our existing portfolio for opportunities where there may be a more efficient path to return value to our shareholders.

Our senior leadership and board remain grounded in our belief that the execution of our transformation strategy will provide a greater degree of strategic flexibility and position the business to thrive. Our team continues to

pursue new ways to enable growth, remaining focused on optimizing our portfolio management efforts and is steadfast in our advocacy and execution to strengthen the long term for Chemours.

Thank you for your continued support. With that, I'd like to open the line for your questions.

QUESTION AND ANSWER SECTION

Operator: [Operator Instructions] Our first question comes from the line of John McNulty from BMO.

John P. McNulty

Analyst, BMO Capital Markets Corp.

Q

Yeah. Good morning. Thanks for taking my question. So, maybe the first question is just on the TSS business. It sounds like despite what we've been hearing from some of the residential HVAC OEMs around kind of what looks like a volume speed bump, it sounds like you're not really seeing that and you don't expect it as you look to 2026. I guess, can you help us to understand why that would be some of the smoothing mechanism that you may have in place and/or – maybe it's just not, while it was a big improvement this year, it may not be – it's not the only part of your business. But I guess, help us to understand why we're not going to see that speed bump work through the refrigeration side of the business.

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Hi, John. Hey, thanks so much for the question. Yeah, I mean, we, as a business, are focused always on maximizing value of our quota. So, we have a broad portfolio outside of HVAC OEMs from an application, from a product, from a regional perspective. So, we're always focused on just maximizing the quota. We expect double-digit growth going into the fourth quarter. And as we start 2026, I feel really proud of what the team has been able to deliver. If you look at our refrigerant sales, we're up year-over-year 32%. 80% increase in Opteon year-over-year. And from a segment, our sales are up 20%, and we've had margin expansion from 30% to 35%.

John P. McNulty

Analyst, BMO Capital Markets Corp.

Q

Got it. Okay. Fair enough. No, and it's – look, it's been a great performance this year so far. Okay. And then, I guess, the second one I wanted to dig into kind of goes to your last point where you're constantly kind of reviewing the path to return value to the shareholders. And I guess, to that, you have a lot of balls in the air at this point. You've got a data center opportunity. It sounds like you at least have some opportunities around critical minerals as well as kind of running the other core businesses. So, kind of a lot going on. I guess, do you think Chemours has the bandwidth to manage all of that? Or are there other potential owners of some of these assets that might be better owners? Not that you guys aren't good owners, but maybe better owners for specifically the way to get as much out of these assets as they could.

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah. John, thanks for the question. We actually feel really good about the things that we're working on and really aligned with our Pathway to Thrive strategy. When you think about the strategy that we put in place, it really is about strengthening the company over the next several years. So, you look at operational excellence, getting out \$250 million of costs, enabling growth, getting to a 5% CAGR, portfolio management. As we've talked about, the

critical minerals or data centers and even around in our APM portfolio, some of the things that we've done. And then our last pillar, strengthening the long term around our legacy liabilities and advocacy and really strengthening the whole portfolio. So, it's really about creating a strong company, strong balance sheet, and to give us optionality as we move beyond Pathway to Thrive.

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah. Just to add to that, John, as you think about the third pillar, about portfolio optimization going to are we the right owners, et cetera, we'll do whatever the right thing is to optimize value to our shareholders. And that's including as we're managing these internally and thinking through our options there.

John P. McNulty

Analyst, BMO Capital Markets Corp.

Q

Got it. Thanks very much for the color.

Operator: Thank you. One moment for our next question. Our next question comes from the line of Pete Osterland from Truist Securities.

Peter Osterland

Analyst, Truist Securities, Inc.

Q

Hey. Good morning. Thanks for taking the questions. So, first, just wanted to start on just operating performance within the TT business. It looks like you're guiding for the impact from operational disruptions to be zero in the fourth quarter. So, I was just wondering if you could give a bit more detail, I guess, what specifically were the major improvements you've made operationally here? How much opportunity is there to improve further in the coming quarters and potentially offset some of the cost impact if you have to continue running at lower production rates?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Hey. Thanks, Pete. From an operations standpoint, we're feeling very good. Many of issues that we faced were one-time distinct issues. We've put contingency plans in place around those issues. We have brought in really strong operational leadership. We stood up our manufacturing COE and reliability is really one of the key elements of that work. You saw we responded extremely well in the third quarter and it was really through the resilience of that teamwork. And we're moving forward, even bolstering further, putting in a standardized operating system throughout the company. So, feel really good about it. I'm going to turn it over to Shane to kind of talk through the numbers.

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah. Pete, thanks for noticing. We don't anticipate the one-off operational issues that we saw earlier part of this year in the third quarter going forward, given all the efforts that Denise just mentioned and continued excellence [ph] with Pete (00:26:19). That said, we did call out \$25 million of, call it, fixed cost absorption that we're going to see in the fourth quarter just given that we're decreasing production to align with what the demand is that we see ahead of us. Those costs will continue, but it'll depend upon where we ramp up production, dependent upon as we view demand ahead of us. That, as you mentioned – potential offsets, we continue that first pillar in Pathway

to Thrive and really driving out costs within TT, they are somewhat masked based on these fixed cost absorptions, but we'll continue to optimize, control what we can control.

Peter Osterland

Analyst, Truist Securities, Inc.

Q

Very helpful. Thank you. And then just as a follow-up on TT. Just on your announcement of the TiO2 price increase effective in December, what gives you confidence that this will be implemented given that global demand conditions are still pretty weak? And, I guess, by region, are there specific areas where you think market conditions are relatively more or less likely to support a price increase?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah. Actually, I feel really good about it. Yeah. We've talked about our strategy being to maximize value and focusing on the fair trade markets. Throughout the year, we've actually seen price stability in these markets. There's obviously stuff going on at the end of the year. There's one-time issues. They're temporal, right? So, you have liquidation of inventory from a Western player that's unable to continue operations. You have liquidation of inventory from CPs, Chinese producers. There was uncertainty in tariffs that was introduced by India, but that's going to get resolved. And if you look at the value chain, there's destocking from the value chain. We're confident that our customers are going to be restocking in the first quarter, that ADD is going to be resolved in India. And we're going to start seeing the impact of the other areas in Brazil and Saudi Arabia. So, we're confident moving forward. As I said, we've seen stability in the fair trade markets we play in and, in particular, in EMEA and in North America. So, we're confident moving forward.

Peter Osterland

Analyst, Truist Securities, Inc.

Q

Great. Thanks a lot.

Operator: Thank you. One moment for our next question. Our next question comes from the line of John Roberts from Mizuho.

John Roberts

Analyst, Mizuho Securities USA LLC

Q

Thank you. How are you thinking about the replacement market for HFOs? How fast do you think that develops? And does it become financially material in the next 18, 24 months to sort of move the overall HFO numbers?

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Hey, John. As we look ahead, we gave perspectives around 2026 that we see double-digit Opteon growth into the first part of next year. Obviously, that is driven by the HFO market. As we look at growth into 2026, we gave a guide just overall growth in sales and earnings and cash flow for TSS and that's going to be driven primarily by that HFO transition, both in the OEM side and the aftermarket.

Operator: Thank you. One moment for our next question. Our next question comes from the line of Arun Viswanathan from RBC Capital Markets.

Arun Viswanathan

Analyst, RBC Capital Markets LLC

Q

Yeah. Thanks for taking my question. I guess, maybe I'll start with TT. So, when we go back about a year or so, it looks like we were thinking that the segment would be maybe in the 300-or-so-million range for EBITDA and then you're significantly below that. And similarly for the company, we were kind of in the \$875 million range, now you're in the \$750 million range. So, I guess, as you look back on this year, would you say that the main shortfall has been in TiO2 demand? Or would you cite something else as well?

And it's just because – we went in this year thinking that the Pathway to Thrive would add maybe \$100 million or \$125 million of cost reductions, and it seems like the demand weakness has more than offset that. So, maybe you can just comment on what kind of played out in TiO2 this year and if it was worse than what you expected. Thanks.

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah. Thanks, Arun. Definitely demand played a part in TiO2. Also, some of the -I'll say, the shakiness with the tariffs and the duties implementation, as well as these – as I talked about these one-time operational issues, we are very confident in our \$125 million cost out. You can see it in many places already disguised in some, but I'm going to turn it over to Shane to give you a little bit more color on that.

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah. Thanks, Arun. As we look coming into this year, I don't think we expected \$100 million – close to \$100 million in operational impacts in the year, certainly a step back, as well as the impacts on TT, whether it be the destocking areas that we've seen or, as Denise mentioned, some of the operational impacts, just overall lack of demand in slow markets. Now, on the flip side, right, I think we are really pleasantly surprised on the impacts of TSS and really what they've driven in the year from a solid performance. So, just really wanted to applaud that group as we're looking at some of the decreases in the year, but also we've had really solid performance in our TSS business.

Arun Viswanathan

Analyst, RBC Capital Markets LLC

Q

Great. Thanks for that. I guess maybe I can just ask a follow-up on TSS. So maybe you can give us some of the drivers for that growth that you expect next year. Again, it seems like we're coming off a pretty strong step-down year, as well as shortages that maybe drove some pretty robust pricing. So when you look into next year, now that Corpus is running up, would that be a contributor, maybe the chiller adoption? Does that get you into kind of double-digit growth? Or how should we think about TSS, especially in light of some of those HVAC inventory OEM overhangs? Thanks.

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah, thanks, Arun. As we look ahead to 2026, one thing to note, as you look at the OEM transition, about 75% has transitioned in. So, we still have that runway going in, as well as we believe the aftermarket will grow somewhat as well. We feel confident in our commercial execution. If you look at what happened in 2025, we really think, just looking ahead that our commercial group is primed to continue the growth in TSS, given the transition aspects.

The other area there, as you look at just cost-out and controlling what we can control, you mentioned the expansion of Corpus Christi, we do believe that will be a tailwind going into next year as we drive further cost optimization. And then lastly, we did have some higher one-time costs related to our next generation refrigerants as well as our liquid cooling venture, which we don't anticipate to occur. I put that is – this year it's going to be roughly about \$40 million, and we believe the annual run rate's going to be in the \$20 million range.

Arun Viswanathan

Analyst, RBC Capital Markets LLC

Q

Great. Thanks for that. And just as a quick follow-up, so when you think about – again, when you think about this year and how it played out, there were a number of operational disruptions. There were, again, weak demand. How do you kind of foresee the next year? I mean, do you think those operational disappointments are in the rearview mirror? What can you do to not necessarily have those kinds of disruptions impacting next year and really kind of show that growth that we know that the portfolio can achieve? It's just been a little bit disheartening at times when we know that the growth is there, it's just getting offset by some of these factors, some of which appear to be somewhat in your control. So, maybe you can just address what you're doing to really tighten that up. Thank you.

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah, definitely. Completely agree. And this has been a number one focus. Our first pillar is operational excellence. And we made a lot of investments. We talked about the manufacturing, COE, in leadership, in operations, in just – investments in really how we work in our processes. So, I feel really good about that. I agree, it's something that we look at, is in our rearview mirror.

Operator: Thank you. One moment for our next question. Our next question comes from the line of Josh Spector from UBS.

Joshua Spector

Analyst, UBS Securities LLC

Q

Yeah. Hi. Good morning. I had a few follow-ups on TSS, I'll just weave together. First, just to confirm on the liquid cooling investment, the \$22 million versus the targeted \$5 million, that flowed through EBITDA, correct? And just what exactly drove that delta versus your expectation?

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah. Thanks, Josh. It did flow through EBITDA, yes. And what drove it was, as we're continuing development of the liquid cooling venture and thinking through that side, there are areas that we continue to develop specific to the charge related to an intermediate, related to the product development side that we had to essentially take a charge-off for. So it's a one-time area. It's not something we anticipate going forward.

Joshua Spector

Analyst, UBS Securities LLC

Q

So, is that something you spent money on, that you're writing off, related with liquid cooling? Or is that some other investment?

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

No, it's a non-cash item. As we look ahead, we do anticipate value coming out of that. It was more of an accounting-related area.

Joshua Spector

Analyst, UBS Securities LLC

Q

Okay. And then secondly, with the whole TSS moving parts of what you've had, so if we look at what you reported in 3Q and 2Q, you beat your expectations that you put out there by about \$20 million. I mean, if we then add back this item that we're discussing, that's maybe \$35 million in the fourth quarter – or sorry, third quarter. I guess, if you separate the pieces, we know your competitor had some issues with sales and you guys benefited in the aftermarket. How much of that is sustainable in that you've won share, you keep it? How much of that would you characterize as potentially temporary due to the supply constraints? And just the dynamics within 2Q, 3Q that do not repeat into next year?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Hey, Josh. Thanks for the question. Yeah, I mean, we feel confident in our commercial capabilities. Certainly, there's a little bit of a competitive aspect, but we really deliver, and we know the customers and the value chain appreciated it. We also have other levers, as Shane talked about, relative to margin with the scaling up of our Corpus facility and the continued growth in the aftermarket segment where we've demonstrated a lot of strength.

Joshua Spector

Analyst, UBS Securities LLC

Q

But I guess, to be clear on that last point, scaling Corpus helps you maybe \$20 million, \$30 million. Does that offset some of the shift that you would expect and, therefore, that's neutral? Like, is that rough framing about right or would you characterize it differently?

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah, Josh. I go back to the guidance we provided, which is we anticipate earnings growth going in from 2025 to 2026, that's inclusive of the Corpus expansion, but also inclusive of where we believe our top line revenue is going, as I indicated sales were going to grow. As you mentioned, right, we've had some really good performance in Q2 and Q3. We believe we can hold on to that performance and then the material amount, going into 2026 as well.

Joshua Spector

Analyst, UBS Securities LLC

Q

Okay. Thank you.

Operator: Thank you. One moment for our next question. Our next question comes from the line of Duffy Fischer from Goldman Sachs.

Duffy Fischer

Analyst, Goldman Sachs & Co. LLC

Q

Yeah. Good morning. Can you help size for me, as we've kind of pushed the Chinese out of Europe with ADD Venator liquidating, how much opportunity or how much volume does that open up for you guys to go after? Same thing for Brazil and India. And then, relative to your market shares in those markets, would you expect to be below, kind of at your market share or above your market share at winning the business that's kind of foregone by those actions?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Thanks, Duffy. Yeah, I mean, our strategy is to grow our share in the fair market – markets and we expect about 800 [ph] odd (00:40:12) kilotons around, if you think about all those areas, Europe, India, Brazil. So, yeah, a great opportunity for us and we expect to be focused on growing share.

Duffy Fischer

Analyst, Goldman Sachs & Co. LLC

Q

Okay. And then could you size for me on your ore inputs, how important is Rio's African operations? As you know, publicly they've said that they're looking at that. You don't know what hands those could end up in potentially, maybe a Chinese competitor. So, how important is their ore in your operations? And if that fell into the hands of somebody who was a competitor, what would be the needed steps you'd take to offset that?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah, I mean, we have – our strategy is really around, as we've talked about in the past, a really large portfolio of ores that we can accept and the diversity of the way we're able to run our manufacturing plants. So, we don't see that as having any material impact on us.

Duffy Fischer

Analyst, Goldman Sachs & Co. LLC

Q

Terrific. Thank you, guys.

Operator: Thank you. One moment for our next question. Our next question comes from the line of Hassan Ahmed from Alembic Global Advisors.

Hassan Ahmed

Analyst, Alembic Global Advisors LLC

Q

Morning, Denise and Shane. A question around the near-term Q4 sort of TT guidance you guys gave. If I read correctly, you guys are guiding to sales declines in the high-single digits to low-teens. I'm just trying to reconcile that. From the sounds of it, it seems you're looking for sort of maybe low single-digits volume declines. And I'm just trying to reconcile that with one of your larger sort of Western competitors talking about 3% to 5% volume increment sequentially in Q4. I mean, is this a geographic footprint thing? Is this a market share thing, all of the above? Would love clarity around that.

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah. Thanks, Hassan. I mean, we have – obviously, from our – from different competitors, we have different customers, we have strength in different regions. This is what we see where we are, and it's also the strategy that we're executing.

Hassan Ahmed

Analyst, Alembic Global Advisors LLC

Q

Understood, understood. And as a follow-up, just your thoughts on anti-involution. I mean since 2023, it seems 1.1 million tons of titanium dioxide capacity has been shuttered. And if I sort of take a look at some of these older subscale facilities in China they amount to maybe around 700,000 tons. So, I mean, what's your thought process around potential shuttering of those 700,000 tons of capacity in China?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah, I mean, our current belief is that based on the research we've done, is that at least 300 kilotons will be permanently shut down. I would expect that more would shut down, especially as the duties really come into play. I mean, we've seen it in the US, we've seen it in Europe. With that, with the duty structure, it really does protect the Western players from the dumping of the Chinese producers. So, at least 300 kilotons, expected to be more.

Hassan Ahmed

Analyst, Alembic Global Advisors LLC

Q

And Denise, just to clarify, that 300 kilotons would be incremental to the 1.1 million that's already been announced, correct?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

No, it would be inclusive.

Hassan Ahmed

Analyst, Alembic Global Advisors LLC

Q

Got it. Thank you.

Operator: Thank you. One moment for our next question. Our next question comes from the line of Laurence Alexander from Jefferies.

Laurence Alexander

Analyst, Jefferies LLC

Q

Hi. Could you roll [ph] off (00:44:24) the comments around destocking and give some perspective as you look back on the year, how much of a net headwind do you think those kinds of dynamics might have had so that we can think about level setting for 2026 and 2027?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah, I mean, from the destocking standpoint, it really is on both sides, right? So, it's on the producer side as well as on the – [ph] how do you (00:44:56) say, that is really more kind of third quarter-ish, going maybe a little into the fourth quarter. And then, from a customer value chain perspective, really seeing in the markets where we serve going into the fourth quarter. But let Shane maybe add some color around the numbers.

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah. Thanks, Laurence. I mean, obviously, we've seen a volume impact this year since 2024 to 2025. I think there's a balance there between the destocking we saw in the beginning part of the year and going into the end of the year, but offset by some really good diligence with the commercial team in gaining share. So, quantifying such, I'd rather not get into at this point, but really, it's a balance between the share gains and really the destocking decrease on the other side.

Laurence Alexander

Analyst, Jefferies LLC

Q

And secondly, just on the TT side, can you give sort of an update on how important architectural coatings are to the overall profit pool for you?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah, I mean, architectural coatings are very important for us. It's about, I would say, 70% of our TT business.

Laurence Alexander

Analyst, Jefferies LLC

Q

And then on the refrigerant gases, can you give a sense for kind of what the next wave after Opteon of refrigerants might look like? And in particular, I guess I'm curious if there's eventually going to be a fluoro gas that is also sort of engineered to self-destruct, sort of to deal with the – to basically – like are there ways in fluoropolymers and fluoro gases to deal with the forever chemicals by sort of crafting ones with the same functionality, but also kind of a vulnerability in certain environments?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah, I mean, I would say our work around our next generation refrigerant, I mean, in this business, we continue to kind of reinvent the category, and our next generation refrigerant is along those lines. And we're going to continue to innovate even beyond that.

Laurence Alexander

Analyst, Jefferies LLC

Q

Thank you.

Operator: Thank you. One moment for next question. Our next question comes from the line of Jeff Zekauskas from JPMorgan.

Jeffrey J. Zekauskas

Analyst, JPMorgan Securities LLC

Q

Thanks very much. When you look at titanium dioxide market, is there price erosion in the United States as you see it, or is it really confined to the other geographies?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah. So, I mean, I can really – talking about our portfolio, as I said, we've had actually stability in pricing in 2025 in the US. Year-over-year, there has been a decline. But as we said, this year, we've seen stability and we're moving forward with a price increase.

Jeffrey J. Zekauskas

Analyst, JPMorgan Securities LLC

Q

And in India, do you think that a ruling on the stay of the duties will come in the fourth quarter or will it take till next year? Or really nobody can tell?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Our current intelligence and thinking is that it will happen by the end of the year.

Jeffrey J. Zekauskas

Analyst, JPMorgan Securities LLC

Q

Okay. Great. Thank you very much.

Operator: Thank you. One moment for our next question. Our next question comes from the line of Vincent Andrews from Morgan Stanley.

Vincent Stephen Andrews

Analyst, Morgan Stanley & Co. LLC

Q

Thank you and good morning. Denise, you sort of referenced earlier in TT that, Pathway to Thrive is sort of being obscured by the challenging demand environment in terms of your profitability. So, if you could just bridge us, let's assume that the assets run reliably for a full year, how much volume growth do you need before you think we would see sort of the full blossoming of Pathway to Thrive in the TiO2 segment from a margin perspective?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Yeah. I mean, I think that even if you just look at where we are now, I think a modest increase in demand will actually get us on track. We've had some operational issues, which have hindered us in 2025. So, feeling positive about it going into 2026.

Vincent Stephen Andrews

Analyst, Morgan Stanley & Co. LLC

Q

Okay. And then, Shane, if I could ask you, you mentioned a real estate strategy, so I don't know how significant this could be. If you want to tell us about some assets you have that maybe you could completely monetize, or are you just looking to do sale-leaseback kind of things and just get stuff off your balance sheet, but maybe just a little detail on that.

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah, thanks. That was really one of a couple of things that I pointed to as we think about looking at our portfolio and our assets and our infrastructure, and just thinking outside the box to unlock value, right? So, I pointed to, obviously, our portfolio optimization pillar, the critical minerals, which Denise just mentioned during the call, as well as the real estate portfolio as we look at strategic areas. I didn't want to get into the specifics, but I do think there's areas there that can help us from a cash flow perspective going forward so as not to disrupt our current cash flow.

Vincent Stephen Andrews

Analyst, Morgan Stanley & Co. LLC



Thank you.

Operator: Thank you. One moment for our next question. Our next question comes from the line of Roger Spitz from Bank of America.

Roger Spitz

Analyst, BofA Securities, Inc.



Hi. Thanks very much and good morning. Can you give us a sense of the impact on industry pricing and volumes when Venator Materials sort of is liquidating their inventory, which we understand has impacted materially Q3? And I'm thinking it's going to take a lot longer than one quarter, I presume, for them to liquidate their inventory. I mean, is this something that's going to take them several quarters that we'll see this headwind?

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.



Thank you. We don't anticipate several quarters. We really see this probably kind of coming through in the current quarter from that perspective. I would say just pricing and volume impacts obviously wasn't a material impact to us and to the market as we saw in Q3. Don't really want to get into the specific numbers, [ph] though, at it (00:51:58).

Roger Spitz

Analyst, BofA Securities, Inc.



Got it. And I know you don't know either of these two technologies, but you are very good with chloride process TiO₂. So, you've got this announcement that Lomon Billions buying Venator's chloride process TiO₂ in the UK. And I'm wondering if you guys have any sense of how different or similar the – effectively, ICI chloride process technology is to the Lomon Billions who's using, I understand, the PPG's chloride process technology, like Lomon Billions trying of improve that PPG operations, is getting their hands on the ICI chloride process technology something that will help them operate better in China?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.



Yeah. I mean, first of all, this still hasn't been settled, right. And there's many questions around that transaction. All I can say is we understand the technologies in the industry, our technology is really the premium technology. And from a competitive standpoint, we don't see that as an issue.

Roger Spitz

Analyst, BofA Securities, Inc.



Thank you very much.

Operator: Thank you. One moment for our next question. Our next question comes from the line of Aaron Rosenthal from JPM.

Aaron Rosenthal

Analyst, JPMorgan Securities LLC



Hi. Good morning and thank you for the time, especially for two JPM folks. I guess, I was looking at the 10-Q and I noticed the commentary on the government shutdown is pretty interesting. It seems like a lot of moving pieces, but is there any risks that implicate anything tied to the HFO transition or anything on the EPA front maybe as it relates to TSS broadly or even in the context of addressing the legacy environmental liabilities? And then, maybe if you could also help us frame the magnitude of the potential, call it, cash payments or collections that are at risk tied to existing government contracts and maybe where exactly within your portfolio this would be relevant to?

Denise M. Dignam

President & Chief Executive Officer & Director, The Chemours Co.

A

Hi. Thanks. Thanks, Aaron. Yeah. Relative to the government shutdown and TSS and HFOs, we see basically no impact. The market's already transitioned and we don't see that that coming – that changing. Really, from the comments around the EPA, I mean, we've talked about it before, our fourth pillar around strengthening the long term, a lot of it is about advocacy. And we've had an open door talking with various agencies within the government. And for us, with it being shut down, it's kind of slowed that down a bit. So, we're really excited and hoping that they reopen soon so we can really continue to advance that pillar of our strategy.

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah. And your last point there as it relates to government business and any perspectives around accounts receivable or cash flow, we don't see any material impacts due to the shutdown.

Aaron Rosenthal

Analyst, JPMorgan Securities LLC

Q

Okay. Thank you. And then maybe just taking a look at the balance sheet and the upcoming maturities. So, following the [ph] US B (00:55:22) term Loan being extended, you still have the euro piece out there and then the 2027 unsecureds which presumably will be addressed 12 months out from the May 2027 maturity. Will you be approaching these refinancings piece by piece or all at once? And I guess, is there any willingness to issue new secured debt to refinance the existing unsecured bonds?

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah. Thanks. Obviously, we were out in the market extending [ph] maturity, Term Loan B (00:55:51) on that side recently. Pretty proud of where it closed, just given the hard market that we were facing. I think as we look at other expirations coming up on that side, we'll continue to be opportunistic when we hit the market, if it allows on that side. I would say, with the near term notes, right, you mentioned refinancing that 12 months out. We will look for differing structures to ensure that those do not come up for – to be current. So, that's kind of where I will leave that from that perspective.

Aaron Rosenthal

Analyst, JPMorgan Securities LLC

Q

Great. And then if I could sneak one more in. And if you could just remind us what your current secured debt capacity is maybe following that term loan exercise?

Shane W. Hostetter

Chief Financial Officer & Senior Vice President, The Chemours Co.

A

Yeah. We feel very good about the headroom on our secured side, this side. We have at least two terms on that side.

Aaron Rosenthal

Analyst, JPMorgan Securities LLC



Thank you.

Operator: Thank you. We have reached the end of our question-and-answer session. Thank you for joining the Chemours third quarter 2025 results conference call. You may now disconnect.

Disclaimer

The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC. FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet CallStreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2025 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.