

# BASF Conference Call: FY 2025

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February 27, 2026

 **BASF**

We create chemistry



# Cautionary note regarding forward-looking statements

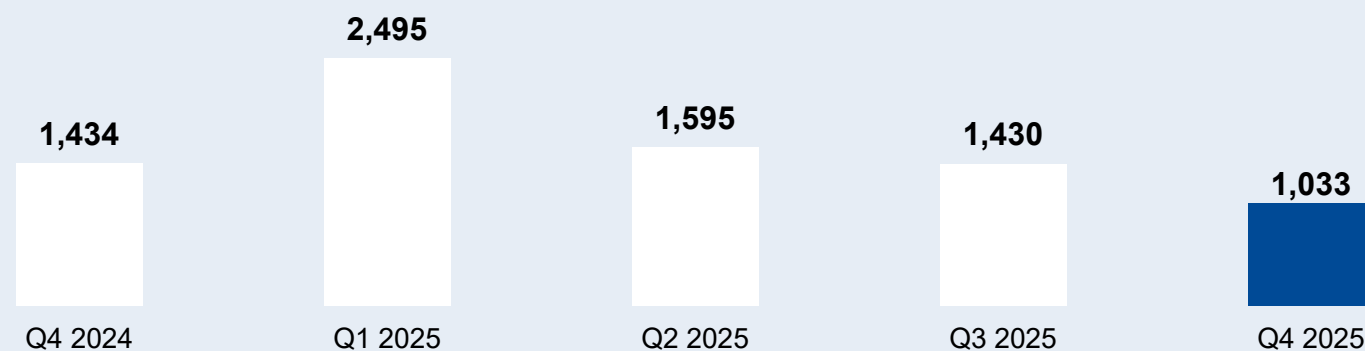
*This presentation contains forward-looking statements. These statements are based on current estimates and projections of the Board of Executive Directors and currently available information. Forward-looking statements are not guarantees of the future developments and results outlined therein. These are dependent on a number of factors; they involve various risks and uncertainties; and they are based on assumptions that may not prove to be accurate. BASF does not assume any obligation to update the forward-looking statements contained in this presentation above and beyond the legal requirements.*

# Q4 2025: Higher volumes but negative currency effects and lower prices

## Sales development<sup>1</sup>

Q4 2025 vs. Q4 2024	Total	Volumes	Prices	Currency	Portfolio
BASF Group (excluding metals) <sup>2</sup>	▼ -9.0%	▲ 0.8%	▼ -4.4%	▼ -5.0%	▼ -0.4%
BASF Group (IFRS) <sup>3</sup>	▼ -5.6%	▲ 1.8%	▼ -1.6%	▼ -5.5%	▼ -0.3%

## EBITDA before special items (million €)<sup>1</sup>



<sup>1</sup> Excluding discontinued coatings business

<sup>2</sup> Excluding sales from precious and base metal services as well as precious and base metal sales in the Battery Materials and Environmental Catalyst and Metal Solutions divisions

<sup>3</sup> The IFRS figures correspond to the amounts presented in the Consolidated Financial Statements

- **Volumes** increased slightly; all segments contributed to volume growth except for Chemicals
- **Prices** declined, particularly in the Chemicals and Materials segments
- **Currency effects** burdened sales development in all divisions
- **Portfolio effects** dampened sales slightly

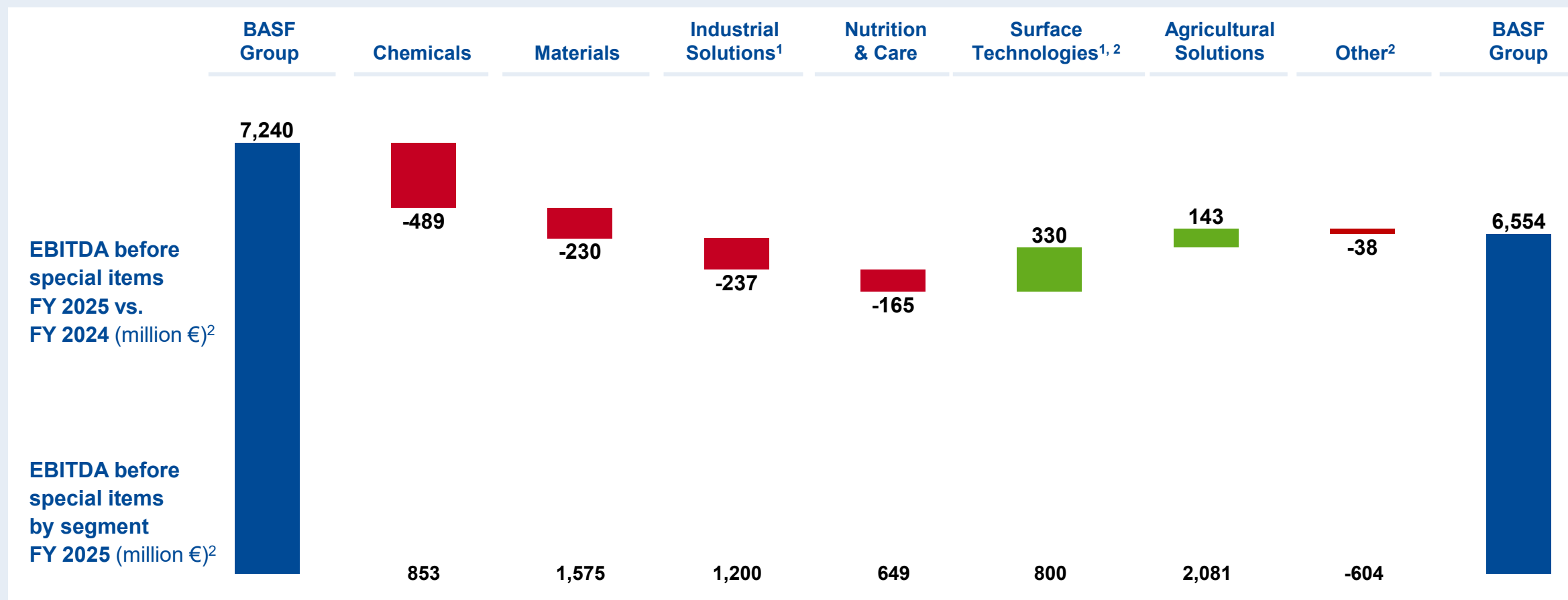
# Q4 2025 snapshot: Market development and BASF's performance

		Market environment	Volume development	Specific margin
<b>Core businesses</b>	Chemicals	↘	→	→
	Materials	↘	→	→
	Industrial Solutions	→	→	→
	Nutrition & Care	→	→	↓
<b>Standalone businesses</b>	Surface Technologies <sup>1</sup>	↗	↑	↗
	Agricultural Solutions	→	→	→

Impact on BASF's EBITDA before special items in Q4 2025 vs. Q4 2024

<sup>1</sup> Excluding discontinued coatings business and excluding divested decorative paints business in the prior-year quarter

# FY 2025: EBITDA before special items declined, mainly due to pressure on upstream margins and negative currency effects



<sup>1</sup> Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The prior-year figures have been restated accordingly.

<sup>2</sup> Excluding discontinued coatings business



## Coatings

### Coatings business (excl. decorative paints)

- BASF and Carlyle reached transaction agreement in Oct. 2025 to create a leading standalone company
- BASF will receive pre-tax cash proceeds of ~€5.8 billion and hold a 40% equity stake in the coatings business
- Transaction on track to close in Q2 2026

### Decorative paints

- Sale of BASF's Brazilian decorative paints business closed in Oct. 2025
- Disposal gain before taxes of €664 million



## Agricultural Solutions

### Full year 2025

- €9.6 billion sales
- €2.1 billion EBITDA bsi
- €1.5 billion segment cash flow

### Further achievements

- Good progress on legal entity and ERP separation
- Management Board to take office as of May 2026

### Direction of travel

- On track for IPO readiness in 2027
- Listing as Societas Europaea (SE) on the Frankfurt stock exchange targeted

# BASF Agricultural Solutions to acquire biological insect control group AgBiTech

- AgBiTech has pioneered the use of nucleopolyhedrovirus technology to develop insect control solutions based on naturally occurring viruses
- With operations in Brazil, the U.S., and Australia, the company serves farmers growing soybean, corn and cotton as well as specialty crops
- The technology will complement BASF's existing BioSolutions portfolio

# We successfully started up all major assets at our Zhanjiang Verbund site

## New Verbund site in Zhanjiang, China

- Investment of €8.7 billion from 2019 to 2028; plants of the Verbund incl. flex-feed steam cracker successfully started up
- First steam cracker in the world using 100% renewable energy to drive main compressors
- Key platform for long-term profitable and sustainable growth in the largest and fastest growing chemical market in the world

“Achieving one of the fastest cracker startups ever is a remarkable confirmation of your world-class planning and execution, driven by strong leadership, professionalism and clear ownership.”

**Sanjiv Lamba**  
Chief Executive Officer &  
Chairman of the Board of Directors, Linde plc





# MDI capacity expansion in Geismar nears completion

## MDI expansion in Geismar, Louisiana

- With ~\$1.0 billion, the MDI expansion is BASF's largest investment in North America
- Production capacity will double to ~600,000 metric tons per year; startup planned in Q3 2026
- Investment leverages state-of-the-art production technologies that will support the growth of our customers in various industries

# BASF Group FY 2025: Key financial figures

FY 2025 vs. FY 2024

EBITDA before special items<sup>1</sup>

**€6,554m**

-€686m



Net income

**€1,619m**

+€321m



Adjusted EBITDA margin bsi<sup>1,2</sup>

**12.3%**

-0.6ppt



Free cash flow

**€1,342m**

+€595m



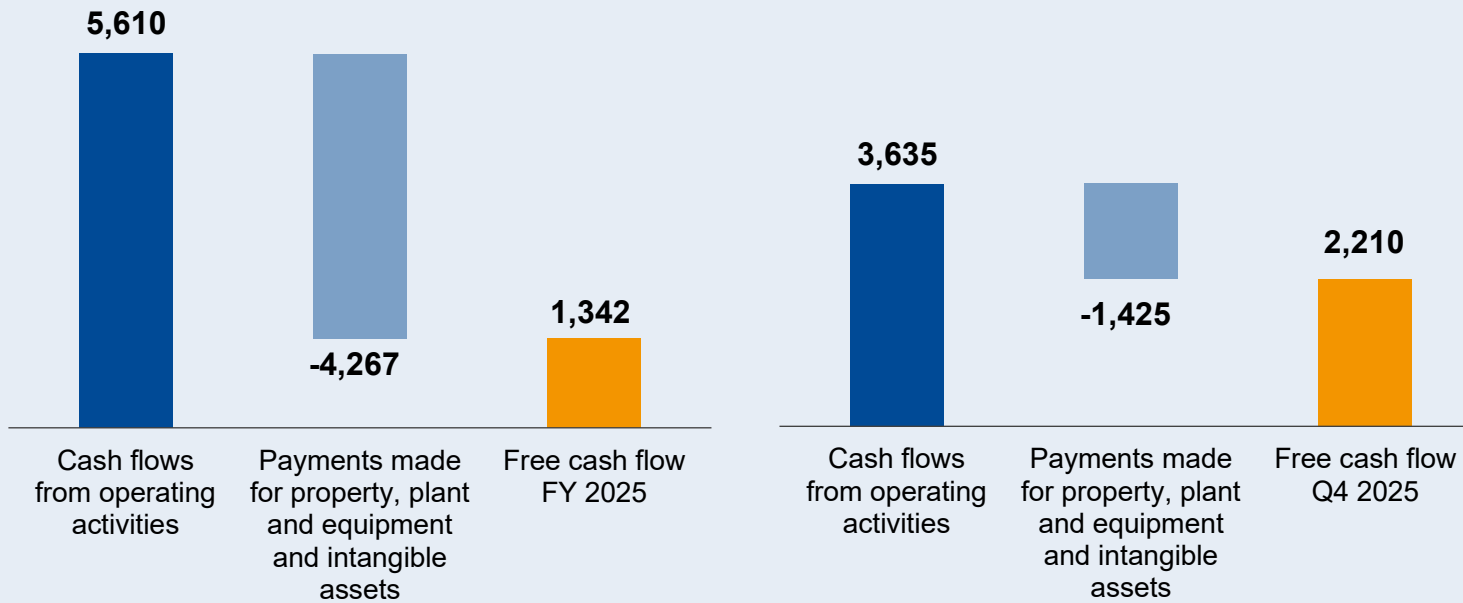
<sup>1</sup> Excluding discontinued coatings business

<sup>2</sup> EBITDA margin before special items excluding sales from precious and base metal services as well as precious and base metal sales in the Battery Materials and Environmental Catalyst and Metal Solutions divisions

# Free cash flow exceeded prior-year figure considerably, supported by lower capex

FY 2025 (million €)

Q4 2025 (million €)



FY 2025 vs. FY 2024

- **Cash flows from operating activities declined** (2025: €5.6 billion; 2024: €6.9 billion), mainly due to an increase in precious metal trading positions
- **Payments made for property, plant and equipment and intangible assets reduced** by 31% to €4.3 billion (2024: €6.2 billion)
- **Free cash flow** came in at €1.3 billion compared with €748 million in 2024

# We will strengthen our balance sheet by further reducing net debt in 2026

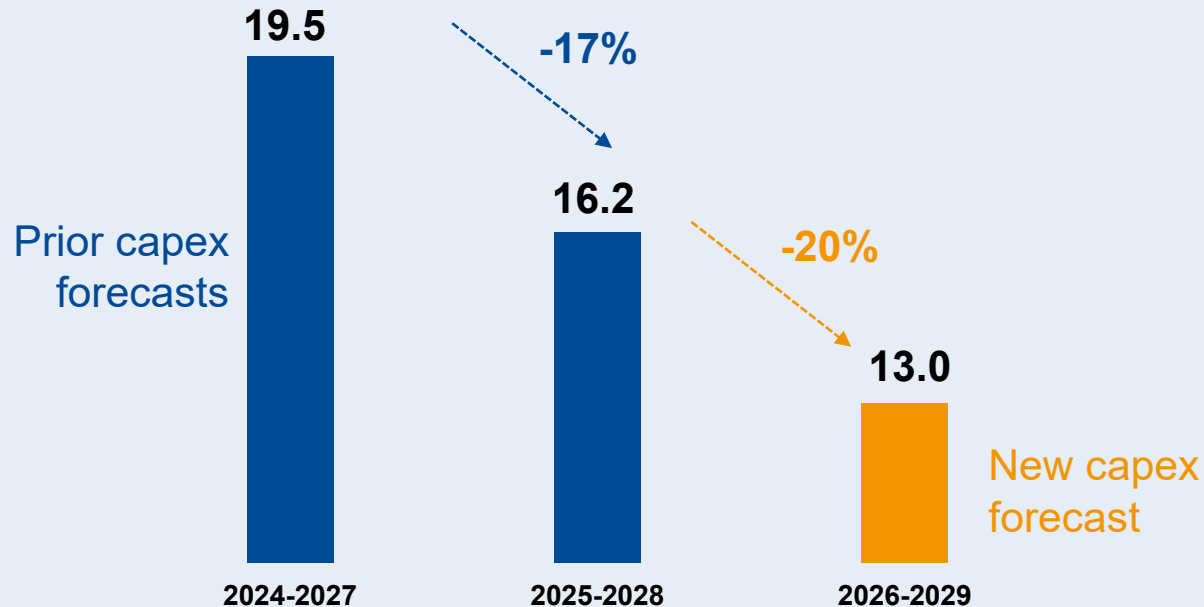
Million €	Dec. 31, 2025	Dec. 31, 2024	Change
<b>Total assets</b>	<b>76,174</b>	<b>80,415</b>	<b>-5.3%</b>
<i>Noncurrent assets</i>	<i>44,489</i>	<i>49,183</i>	<i>-9.5%</i>
<i>Current assets</i>	<i>31,684</i>	<i>31,232</i>	<i>1.4%</i>
<b>Equity</b>	<b>34,338</b>	<b>36,884</b>	<b>-6.9%</b>
<b>Equity ratio</b>	<b>45.1%</b>	<b>45.9%</b>	<b>-0.8ppt</b>
<b>Financial debt</b>	<b>21,088</b>	<b>21,762</b>	<b>-3.1%</b>
<b>Net debt</b>	<b>18,329</b>	<b>18,781</b>	<b>-2.4%</b>

- **Total assets decreased by €4.2 billion to €76.2 billion**, due to lower noncurrent assets, mainly on account of FX effects
- **Equity ratio of 45.1%** compared with 45.9% at the end of 2024
- **Net debt declined by ~€450 million** to €18.3 billion
- BASF strives to **maintain its single A credit rating**

# Capex to come down significantly and stay below depreciation in 2026 and beyond

## Capex forecast (billion €)

Additions to property, plant and equipment excluding acquisitions, IT investments, restoration obligations and right-of-use assets arising from leases

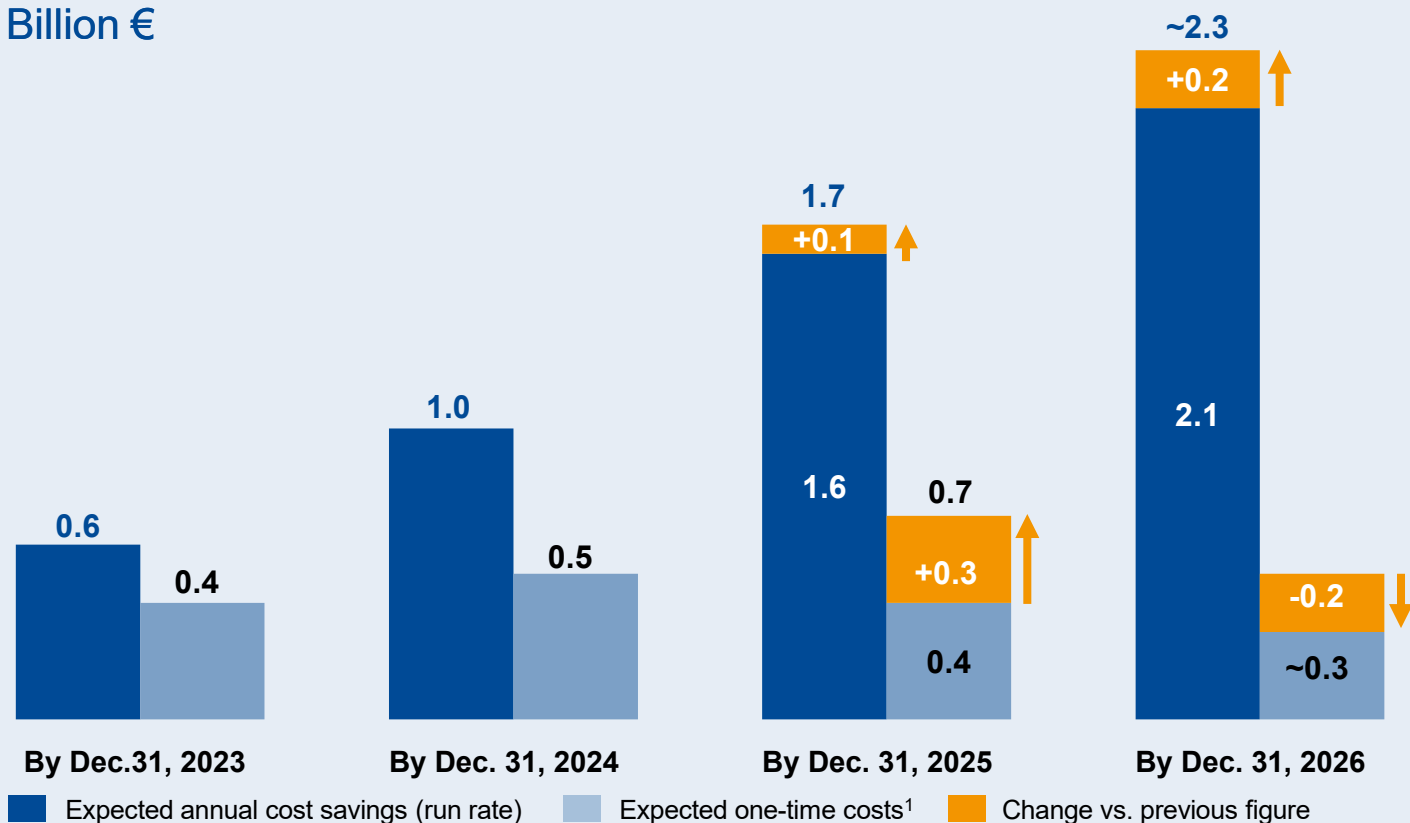


BASF Group capex will be reduced from **€4.0 billion in 2025** (€1.6 billion of which for the Zhanjiang investment<sup>1</sup>) to **€3.3 billion in 2026** (€0.6 billion of which for the Zhanjiang investment<sup>1</sup>)

<sup>1</sup> Including related investments in the Nutrition & Health division in Ludwigshafen

# We accelerated our cost savings and now expect ~€2.3 billion by end of 2026

Billion €



Due to rounding, individual figures on this slide may not add up exactly to the totals shown.

<sup>1</sup> Expected total one-time costs increased by €100 million to ~€1.9 billion, of which ~€1.5 billion were incurred as of Dec. 31, 2025

<sup>2</sup> The figure excludes the build-up of employees at the Zhanjiang Verbund site by ~1,000 employees since Dec. 31, 2023

- We are actively streamlining our global organization
- Since Dec. 31, 2023, within the BASF Group we have reduced:

- the number of senior executives **by -11%**

- the number of employees<sup>2</sup> **by -4,800**

# Next value-creation step in BASF's service organizations – streamlining units to meet needs of the core businesses

## Global Digital Services

- Rationalizing BASF's IT application landscape and sharpening our digital service portfolio through consolidation and standardization
- Streamlining existing location footprint and opening a cost-efficient hub in Hyderabad, India
- Achieving a significant workforce reduction and capturing efficiency gains – building on competitive service levels and focused digitalization

## Global Business Services

- Streamlining our service portfolio, driving standardization and automation, and leveraging cost-efficient locations
- Bundling a significant portion of business services in two global hubs in Asia: India for finance and HR (to be newly established); Kuala Lumpur, Malaysia, for supply chain; existing regional hubs will complement this setup
- Through these decisive steps, we aim to harvest synergies and secure structural cost advantages

# We deliver on our attractive shareholder distribution policy

## Dividend

- **Dividend proposal for 2025** to the Annual Shareholders' Meeting of **€2.25 per share**
- **Dividend yield of 5.1%** based on the share price of €44.43 at year-end 2025

## Share buyback

- At the CMD in 2024, BASF announced **share buybacks of at least €4 billion between 2027 and 2028**
- Given **considerable cash proceeds**, BASF already started **buying back shares in November 2025; by the end of 2025** shares for **€355 million** were bought back
- **Volume of up to €1.5 billion** to be repurchased **by the end of June 2026**



## Shareholder distributions via dividends and share buybacks 2025-2028:



Overall distribution  
on the level of the last years

# Outlook 2026 for BASF Group

	BASF Group 2025 actual	BASF Group 2026 forecast
EBITDA before special items (billion €)	6.6	6.2 – 7.0
Free cash flow (billion €)	1.3	1.5 – 2.3
CO <sub>2</sub> emissions <sup>1</sup> (million metric tons)	16.1	17.2 – 18.2

<sup>1</sup> Scope 1 and Scope 2

# Underlying assumptions

Growth in gross domestic product <hr/>	Growth in industrial production <hr/>	Growth in chemical production <hr/>	Average euro/dollar exchange rate <hr/>	Average annual oil price (Brent crude) <hr/>
+2.7%	+2.3%	+2.4%	\$1.20 per euro	\$65 per barrel

# Priorities for 2026

Reduce costs structurally,  
bring down capex and  
increase plant utilization

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Successfully ramp up  
Verbund site in Zhanjiang  
and MDI plant in Geismar

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Execute on value-enhancing  
portfolio measures

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2026

# Winning Culture + Value Creation

 **BASF**

We create chemistry

# Outlook 2026 by segment

Million €	EBITDA before special items <sup>1</sup>		Segment cash flow <sup>1</sup>	
	2025	2026 forecast	2025	2026 forecast
Chemicals	853	Considerable increase	-1,182	Considerable increase
Materials	1,575	Slight decrease	1,054	Considerable decrease
Industrial Solutions	1,200	Slight increase	1,061	Slight decrease
Nutrition & Care	649	Considerable increase	-67	Considerable increase
Surface Technologies <sup>2</sup>	800	Considerable decrease	627	Considerable decrease
Agricultural Solutions	2,081	Slight decrease	1,505	Considerable decrease

<sup>1</sup> For EBITDA before special items and cash flow, “slight” represents a change of 0.1%–10.0%, while “considerable” applies to changes of 10.1% and higher. “At prior-year level” indicates no change (+/-0.0%).

<sup>2</sup> Excluding discontinued coatings business

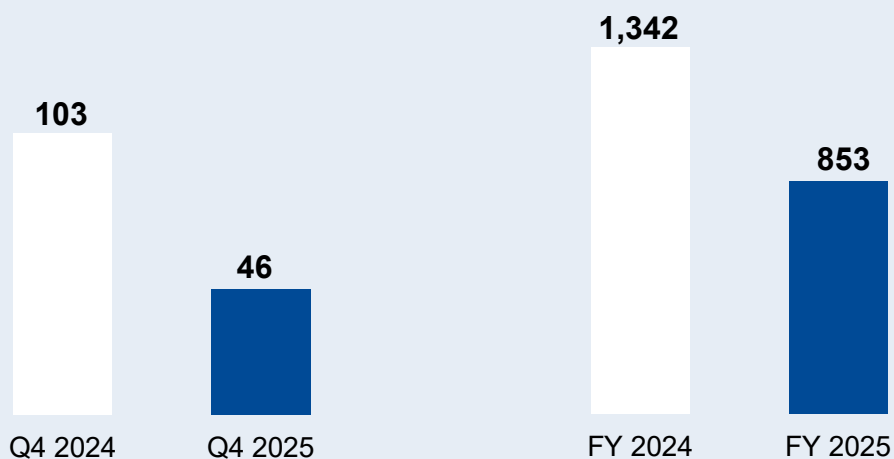
# BASF Group Q4 2025 and FY 2025: Financial figures

	Q4 2025	Change	FY 2025	Change
	Million €	%	Million €	%
Sales <sup>1</sup>	14,032	-5.6	59,657	-2.9
EBITDA before special items <sup>1</sup>	1,033	-27.9	6,554	-9.5
EBITDA <sup>1</sup>	1,019	-8.2	5,618	-9.5
EBIT before special items <sup>1</sup>	76	-84.1	2,887	-18.1
EBIT <sup>1</sup>	-153	63.9	1,634	-9.7
Net income from shareholdings	1,382	.	1,313	118.0
Net income	560	.	1,619	24.7

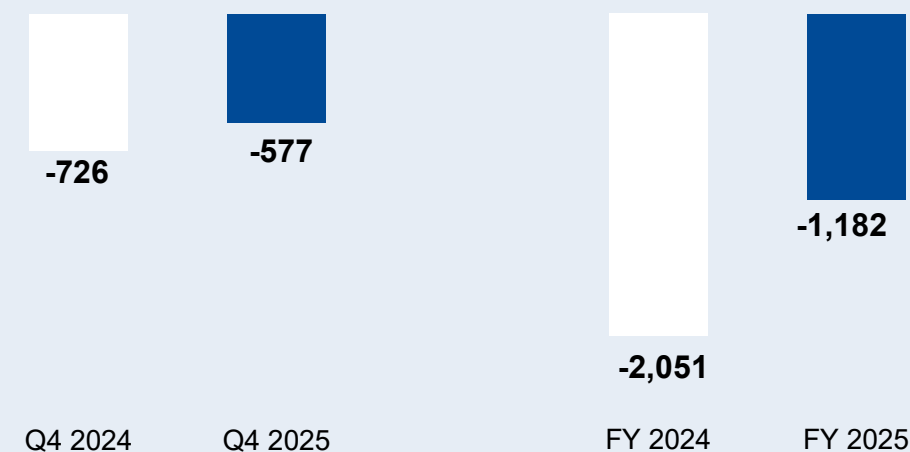
<sup>1</sup> Excluding discontinued coatings business

# Chemicals

EBITDA before special items (million €)



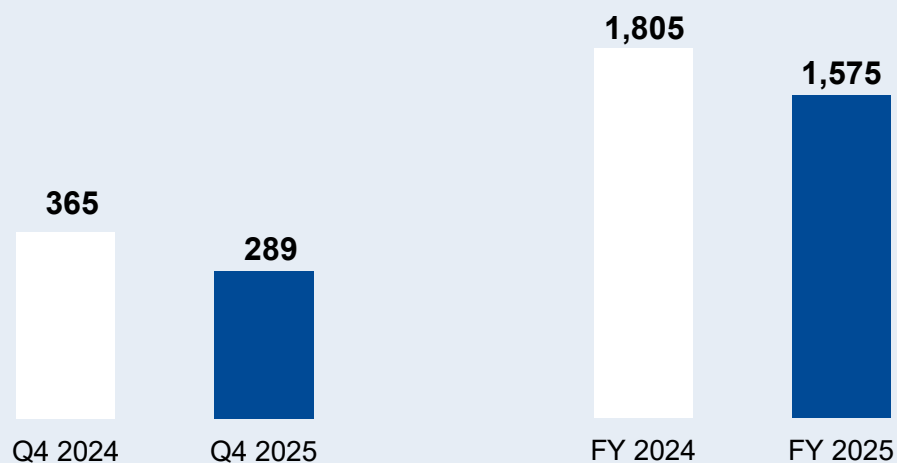
Segment cash flow (million €)



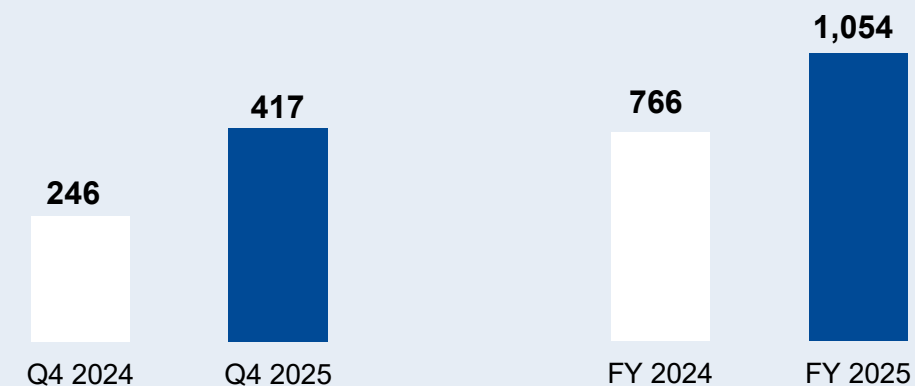
Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q4 2025 vs. Q4 2024	▼ -10.7%	▼ -2.0%	▼ -9.5%	▼ -4.2%	▲ 5.1%
FY 2025 vs. FY 2024	▼ -7.2%	▼ -0.3%	▼ -8.8%	▼ -2.2%	▲ 4.1%

# Materials

EBITDA before special items (million €)



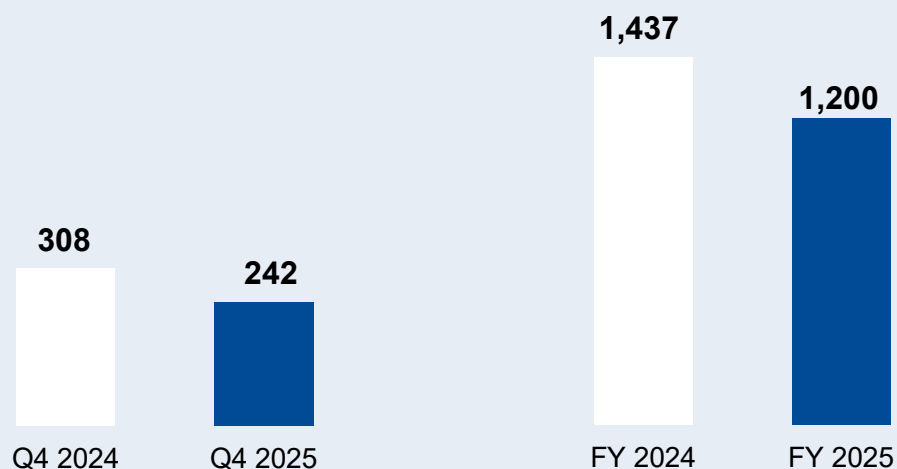
Segment cash flow (million €)



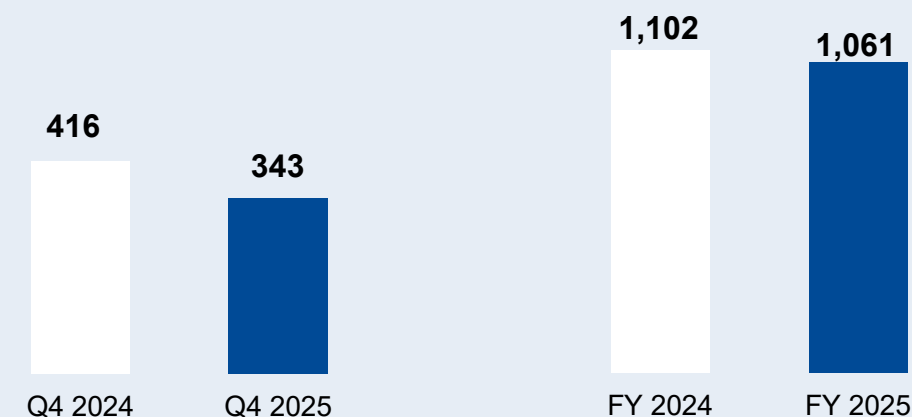
Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q4 2025 vs. Q4 2024	▼ -10.5%	▲ 0.2%	▼ -5.9%	▼ -4.9%	—
FY 2025 vs. FY 2024	▼ -5.7%	▲ 0.8%	▼ -3.7%	▼ -2.8%	0.0%

# Industrial Solutions

EBITDA before special items<sup>1</sup> (million €)



Segment cash flow<sup>1</sup> (million €)

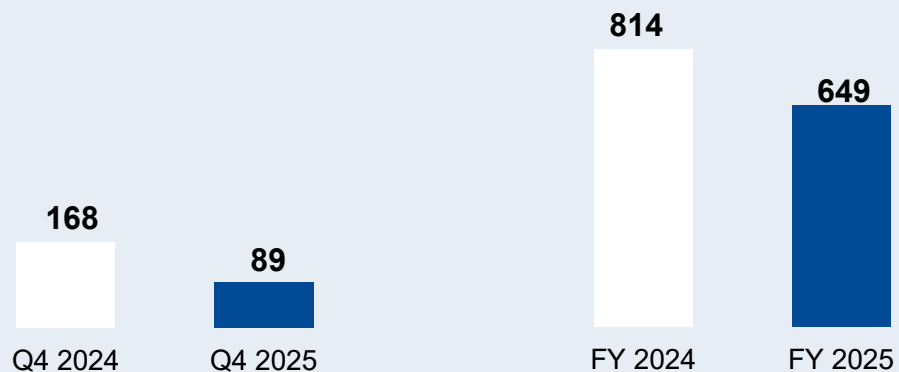


Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q4 2025 vs. Q4 2024	▼ -8.6%	▲ 1.1%	▼ -3.9%	▼ -4.9%	▼ -0.8%
FY 2025 vs. FY 2024	▼ -6.8%	▼ -0.6%	▼ -2.5%	▼ -2.6%	▼ -1.1%

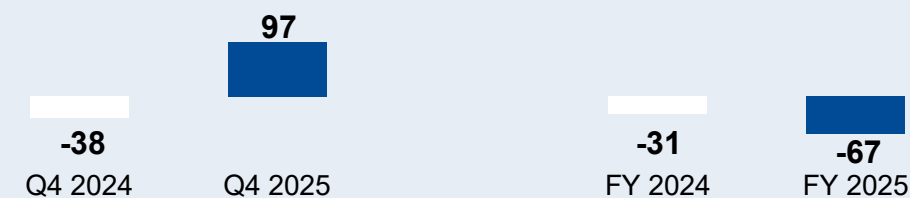
<sup>1</sup> Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The prior-year figures have been restated accordingly.

# Nutrition & Care

EBITDA before special items (million €)



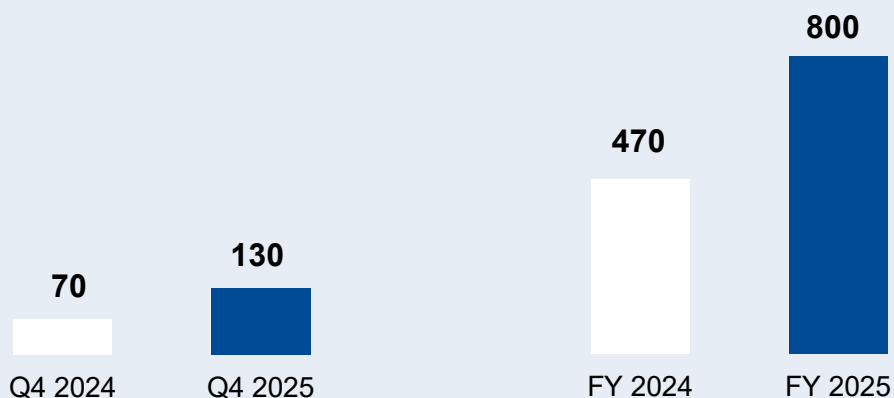
Segment cash flow (million €)



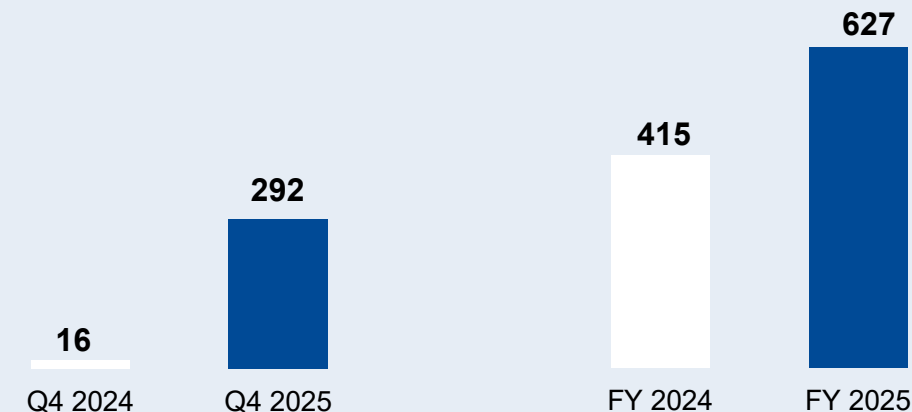
Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q4 2025 vs. Q4 2024	▼ -5.4%	▲ 2.4%	▼ -2.5%	▼ -4.1%	▼ -1.1%
FY 2025 vs. FY 2024	▼ -3.3%	▼ -2.3%	▲ 1.4%	▼ -2.4%	0.0%

# Surface Technologies

EBITDA before special items<sup>1, 2</sup> (million €)



Segment cash flow<sup>1, 2</sup> (million €)



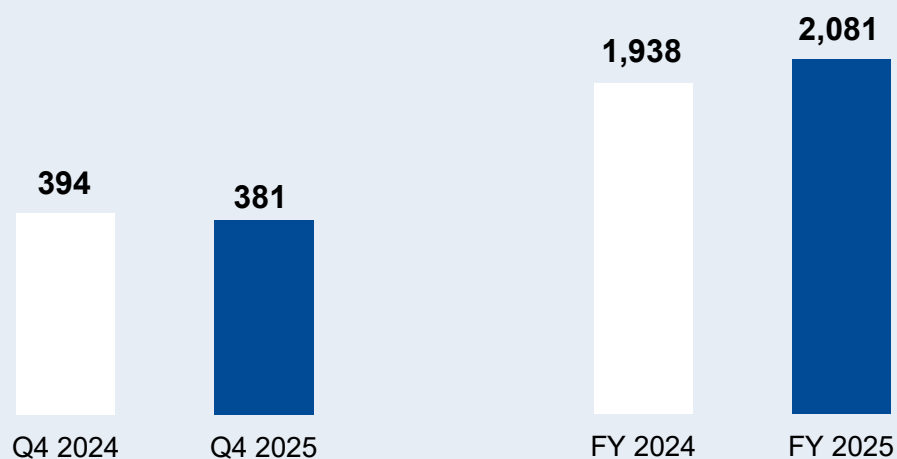
Sales development <sup>2</sup>	Total	Volumes	Prices	Currencies	Portfolio
Q4 2025 vs. Q4 2024	▲ 13.9%	▲ 11.5%	▲ 18.7%	▼ -8.8%	▼ -7.6%
FY 2025 vs. FY 2024	▲ 11.3%	▲ 8.8%	▲ 9.0%	▼ -4.8%	▼ -1.7%

<sup>1</sup> Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The prior-year figures have been restated accordingly.

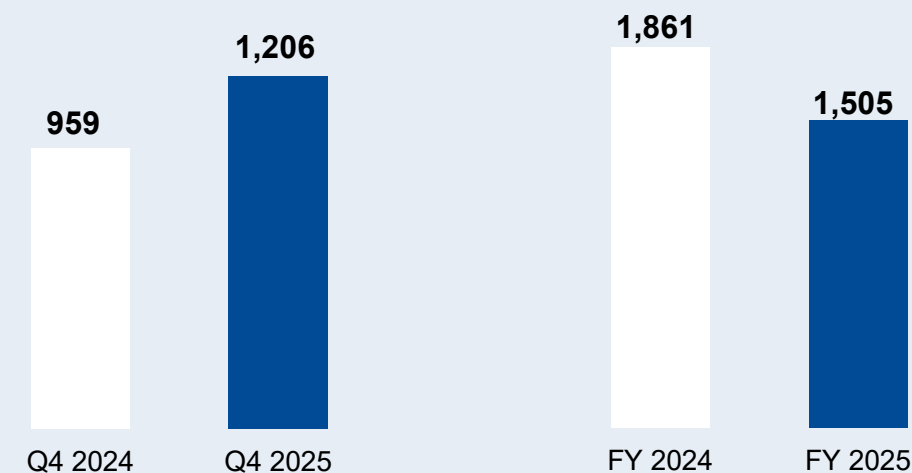
<sup>2</sup> Excluding discontinued coatings business

# Agricultural Solutions

EBITDA before special items (million €)



Segment cash flow (million €)



Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q4 2025 vs. Q4 2024	▼ -3.8%	▲ 3.6%	▼ -0.7%	▼ -6.7%	—
FY 2025 vs. FY 2024	▼ -2.2%	▲ 3.0%	▼ -1.2%	▼ -3.9%	—

# Review of “Other”

Financial figures	Q4 2025	Change	FY 2025	Change
	Million €	%	Million €	%
<b>Sales<sup>1</sup></b>	<b>757</b>	<b>-12.0</b>	<b>3,202</b>	<b>-2.7</b>
<b>EBITDA before special items<sup>1</sup></b>	<b>-144</b>	<b>.</b>	<b>-604</b>	<b>-6.7</b>
of which				
Costs of corporate research	-56	-4.1	-168	8.3
Costs of corporate headquarters	-65	-9.6	-241	-4.0
Other businesses	-13	.	175	-3.9
Miscellaneous income and expenses	-11	.	-371	-11.0
Special items in EBITDA <sup>1</sup>	-468	-158.3	-1,128	-87.7
<b>EBITDA<sup>1</sup></b>	<b>-612</b>	<b>-291.4</b>	<b>-1,732</b>	<b>-48.4</b>

<sup>1</sup> Excluding discontinued coatings business