Joint News Release

BASF and Carlyle reach binding transaction agreement on coatings business to create a leading standalone company

- **Enterprise value of €7.7 billion agreed for BASF's automotive OEM coatings, automotive refinish coatings and surface treatment businesses**
- **Carlyle to leverage its global industrial and carve-out expertise to support BASF Coatings' next phase of growth**
- **BASF to hold equity stake in coatings business to continue building on today's success**
- **Subject to customary regulatory approvals, closing is expected in Q2 2026**

Ludwigshafen, Germany, and Washington D.C. – October 10, 2025 – BASF and funds managed by global investment firm Carlyle (NASDAQ: CG), in partnership with Qatar Investment Authority (QIA), have entered into a binding agreement relating to BASF's automotive OEM coatings, automotive refinish coatings, and surface treatment businesses ("BASF Coatings").

The enterprise value of the transaction amounts to €7.7 billion. Subject to customary regulatory approvals, the transaction is expected to close in Q2 2026. This transaction, together with the already closed divestiture of the decorative paints business, value BASF's entire Coatings division at an enterprise value of €8.7 billion and an implied 2024 EV/EBITDA multiple before special items of approx. 13x. This represents a significant step in unlocking the value of BASF's standalone businesses, as the company swiftly executes its Winning Ways strategy. BASF will also reinvest in the coatings business holding a 40% equity stake and will receive pre-tax cash proceeds of approx. €5.8 billion at closing of the transaction.

BASF Coatings is a global player in the development, production and marketing of innovative and sustainable automotive OEM and refinish coatings as well as applied surface treatments for metal, plastic and glass substrates in a wide range of industries. The business operates in Europe, North America, South America and Asia Pacific, and generated sales of approx. €3.8 billion in 2024.

Working closely alongside management, Carlyle will support the future growth of the business through investing in its commercial capabilities, innovation pipeline, and organizational structure to enhance customer focus. Carlyle will leverage its strong track record and extensive experience in successful carve-outs of industrial and chemical assets, following previous investments in Axalta, Atotech, and Nouryon.

“We are delighted to partner with Carlyle, whose sector expertise, carve-out capabilities and collaborative approach will help position BASF Coatings for long-term success,” said **Dr. Markus Kamieth, Chairman of the Board of Executive Directors of BASF SE**. “By retaining an equity stake, we are showing our belief in Coatings’ future value creation and upside potential. The passion, expertise, and customer focus of our Coatings team is what makes this business outstanding.”

“The transaction announced today opens a new chapter of opportunity for BASF Coatings, building on today’s success and shaping an even stronger future,” said **Anup Kothari, member of the Board of Executive Directors of BASF SE** and responsible for the Coatings division.

“BASF Coatings is an exceptional platform with leading technologies, a world-class management team, strong customer partnerships, and a truly global footprint,” said **Martin Sumner, Global Head of Industrials, and Tanaka Maswoswe, Partner at Carlyle**. “We see compelling opportunities to leverage our global platform to support the business becoming an established independent leader. This transaction exemplifies Carlyle’s ability to execute complex carve-outs in partnership with leading global corporates.”

“QIA is pleased to partner with Carlyle to support the next phase of BASF Coatings’ continued growth,” said **Mohammed Al-Sowaidi, CEO of QIA**. “This investment aligns with QIA’s approach of investing in industry leaders and is testament to our belief in the long-term resilience of German businesses.”

Business continuity for customers will be ensured throughout the transaction process. In accordance with legal requirements and local practice, employee representatives will be involved.

Further information

BASF will host a conference call on the transaction on Friday, October 10, 2025, from 14:00 to 14:30 CEST. The webcast will be available at: http://basf.com/conference-call-2025-10-10.

About BASF

At BASF, we create chemistry for a sustainable future. Our ambition: We want to be the preferred chemical company to enable our customers' green transformation. We combine economic success with environmental protection and social responsibility. Around 112,000 employees in the BASF Group contribute to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio comprises, as core businesses, the segments Chemicals, Materials, Industrial Solutions, and Nutrition & Care; our standalone businesses are bundled in the segments Surface Technologies and Agricultural Solutions. BASF generated sales of €65.3 billion in 2024. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the United States. Further information at www.basf.com.

Forward-looking statements and forecasts relating to BASF

This release 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 release above and beyond the legal requirements.

About Carlyle

Carlyle (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across its business and conducts its operations through three business segments: Global Private Equity, Global Credit, and Carlyle AlpInvest. With $465 billion of assets under management as of June 30, 2025, Carlyle's purpose is to invest wisely and create value on behalf of its investors, portfolio companies, and the communities in which we live and invest. Carlyle employs more than 2,300 people in 27 offices across four continents. Further information is available at www.carlyle.com. Follow Carlyle on X @OneCarlyle and LinkedIn at The Carlyle Group.

About QIA

Qatar Investment Authority (QIA) is the sovereign wealth fund of the State of Qatar. QIA was founded in 2005 to invest and manage the state reserve funds. QIA is among the largest and most active sovereign wealth funds globally. QIA invests across a wide range of asset classes and regions as well as in partnership with leading institutions around the world to build a global and diversified investment portfolio with a long-term perspective that can deliver sustainable returns and contribute to the prosperity of the State of Qatar.

BASF contacts:

Dr. Stefanie Wettberg
+49 621 60-48002
stefanie.wettberg@basf.com

Jens Fey
+49 621 60-99123
jens.fey@basf.com

Carlyle contacts:

Brittany Bensaull
+1 (212) 813-4839
Brittany.Bensaull@carlyle.com

Andrew Kenny
+44 7385 662334
andrew.kenny@carlyle.com

Lonna Leong
+852 9023 1157
lonna.leong@carlyle.com

QIA contact:

media@qia.qa