

News Release

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BASF invests in quantum computing startup Zapata Computing

- **Zapata's technology platform is an innovative approach to leverage the potential of this novel technology**
- **Applications of quantum computing offer opportunities to meet the challenges of the chemical industry**

Ludwigshafen, Germany, April 17, 2019 – BASF Venture Capital is joining a group of prominent investors in the Series A investment round of Zapata Computing, Inc. Headquartered in Cambridge, Massachusetts, Zapata is developing both a powerful software platform as well as specific applications for Global 1000 companies to effectively utilize a range of emerging quantum computing hardware. By investing in Zapata, BASF Venture Capital supports BASF's strategic goal to take advantage of the opportunities that digitalization offers along the entire value chain. Quantum computing will enable BASF experts to very efficiently investigate complex questions and it will further shorten the time it takes to launch new products. Zapata, which was spun-out of Harvard University in 2017, will use the funds raised to expand its scientific team and further develop its software platform to meet growing customer demand. BASF joins a round led by Comcast Ventures and Prelude Ventures, together with new and existing investors including Pitango Ventures, Pillar Venture Capital, and The Engine.

Quantum computing is a next generation approach to computation that utilizes the laws of quantum mechanics to increase the speed of certain calculations. While quantum computing has great potential, it is currently limited by the pace of

hardware development. Zapata's hybrid quantum-classical approach is designed to elicit the maximum value from the limited number of qubits that will be available in the next few years.

"We are happy to support this promising start-up. Zapata is positioned to add value to a wide variety of industries, including chemicals, pharmaceuticals, automotive, aerospace, and finance," said Markus Solibieda, Managing Director at BASF Venture Capital. "Zapata will fill a growing demand for quantum solutions that address key issues its customers are facing."

"We are thrilled and honored that BASF selected Zapata as a partner in the growing quantum technology revolution," said Christopher Savoie, CEO of Zapata. "This financing will allow us to continue to expand our incredible team to take on the challenges of solving real problems with quantum computing. We are racing to meet an enormous demand."

Quantum Computing Primer

A classical computer uses many bits ("0s" and "1s") for calculations. A quantum bit ("qubit"), like the bit in classical computing, describes the state of the smallest unit used for calculations. A qubit consists of two quantum states, e.g. the electron spin that can have two directions. These qubits can be combined in a way that they contain much more information than the same number of classical bits. By this "superposition" a quantum computer can work much more efficiently than a classical computer in certain important applications, e.g. materials modeling, optimization, machine learning.

About BASF Venture Capital

BASF Venture Capital GmbH (BVC) was founded in 2001 and has offices in Europe, the U.S., China and Israel. The aim of BVC is to generate new growth potential for BASF by investing in new companies and funds. The focus of investment is on chemical products and new materials, software and services as well as innovative and digital business models in the broader field of chemistry.

Further information at www.basf-vc.com.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 122,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of around €63 billion in 2018. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the U.S. Further information at www.basf.com.