

Q2

BASF Conference

Call: Q2 2025

July 30, 2025

 **BASF**
We create chemistry

Cautionary note regarding forward-looking statements

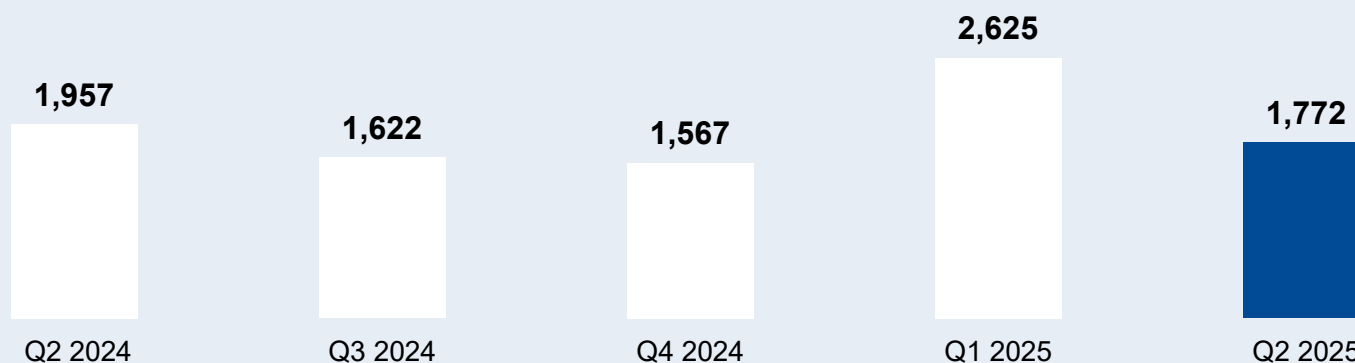
This presentation contains forward-looking statements. These statements are based on current estimates and projections of the Board of Executive Directors and currently available information. Forward-looking statements are not guarantees of the future developments and results outlined therein. These 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.

Sales almost at prior-year quarter level thanks to volume growth

Sales development

Q2 2025 vs. Q2 2024	Volumes	Prices	Currency	Portfolio
BASF Group adjusted ¹	▲ 2.5%	▼ -3.9%	▼ -3.5%	▲ 0.5%
BASF Group IFRS ¹	▲ 4.0%	▼ -3.0%	▼ -3.7%	▲ 0.5%

EBITDA before special items (million €)



¹ The adjusted figures exclude 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 businesses. The IFRS figures correspond to the Consolidated Financial Statements.

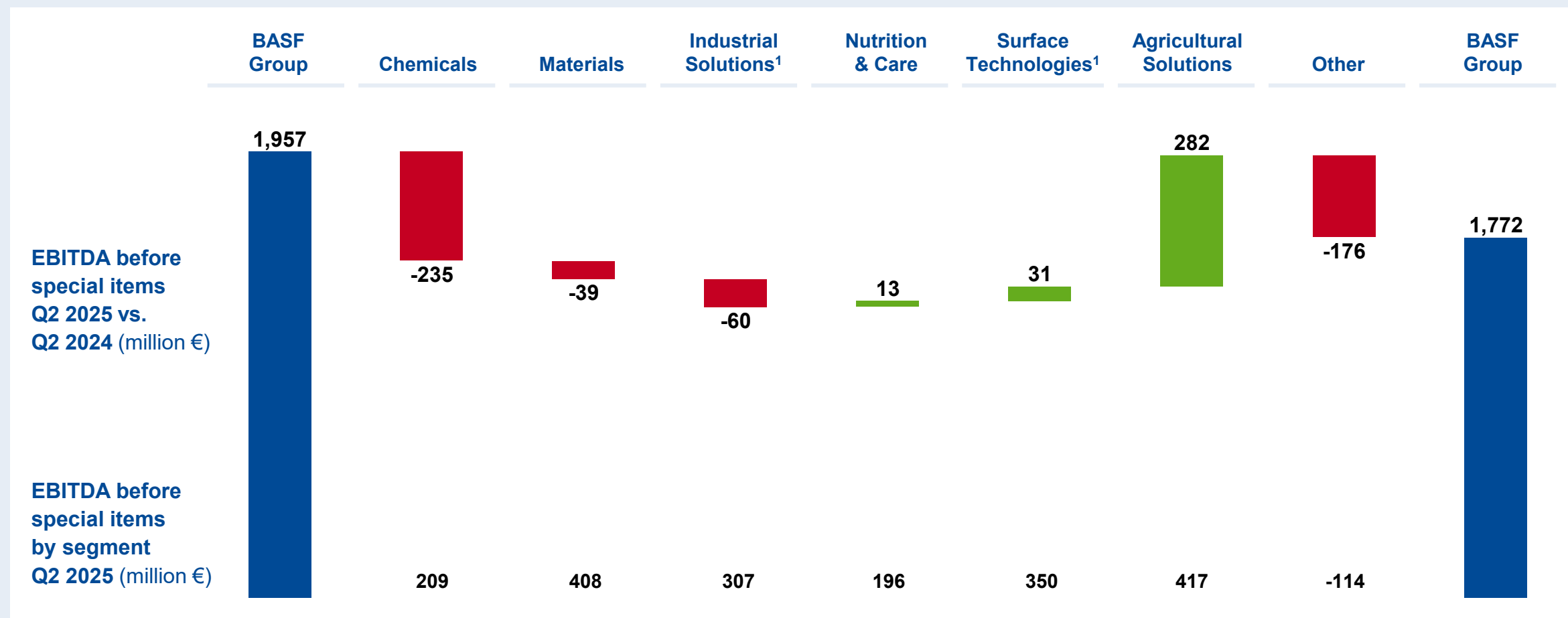
- **Adjusted sales¹** of €14.1 billion and **reported sales¹** of €15.8 billion, almost at prior-year quarter level
- **Volumes** increased, mainly in the Agricultural Solutions and Surface Technologies segments
- **Prices** declined, particularly in the Chemicals segment
- **Currency effects** burdened sales development in all segments

Q2 2025 snapshot: Market development and BASF's performance

		Market environment	Volume development	Specific margin
Core businesses	Chemicals	↓	→	↓
	Materials	↓	→	→
	Industrial Solutions	→	→	→
	Nutrition & Care	→	→	→
Standalone businesses	Surface Technologies	→	↗	→
	Agricultural Solutions	→	↑	↑

Impact on BASF's EBITDA before special items in Q2 2025 vs. Q2 2024

Q2 2025: EBITDA before special items declined by 9% due to depressed upstream margins



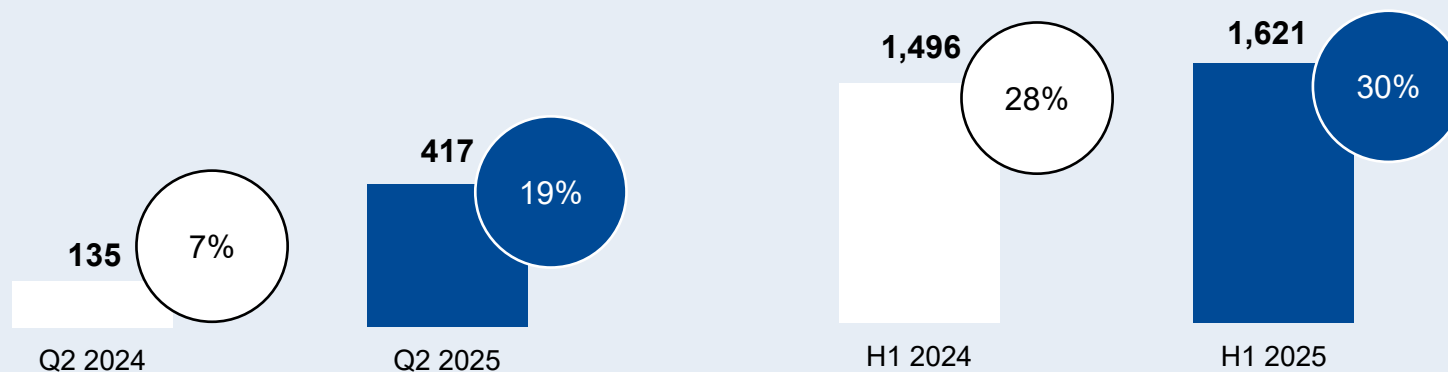
¹ Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The prior-year figures have been adjusted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

Agricultural Solutions with strong EBITDA before special items in Q2 2025

Sales development

	Volumes	Prices	Currency	Portfolio
Q2 2025 vs. Q2 2024	▲ 21.1%	▼ -1.6%	▼ -6.0%	-
H1 2025 vs. H1 2024	▲ 4.0%	▼ -1.5%	▼ -2.7%	-

EBITDA before special items (million €) and corresponding margin

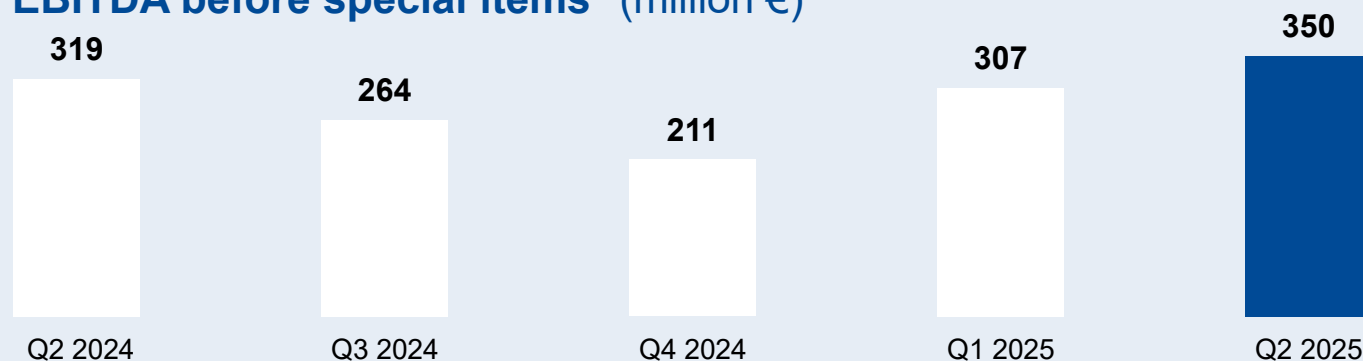


Surface Technologies with strong earnings, outperforming the automotive market

Sales development

Q2 2025 vs. Q2 2024	Volumes	Prices	Currency	Portfolio
Surface Technologies adjusted^{1, 2}	▲ 6.5%	▲ 0.2%	▼ -5.3%	▼ -0.2%
Coatings	▲ 7.1%	▲ 1.5%	▼ -5.7%	▼ -0.3%
Battery Materials ¹	▲ 17.0%	▼ -27.6%	▼ -4.7%	-
ECMS ¹	▲ 4.4%	▼ -0.2%	▼ -4.4%	-

EBITDA before special items² (million €)



¹ The adjusted figures exclude 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 businesses.

² Since January 1, 2025, the chemical and refining catalysts business has been reported in the Industrial Solutions segment. It was previously part of the Surface Technologies segment. The prior-year figures have been adjusted accordingly.



Active portfolio management



Sale of Brazilian **decorative paints business** expected to close in the second half of 2025



Market approached in Q2 2025 to explore strategic options for **coatings activities** excluding decorative paints



IPO readiness of **Agricultural Solutions** division targeted by 2027; current focus on legal and ERP separation

BASF Group

H1 2025: Key financial figures

H1 2025 vs. H1 2024

EBITDA before special items

€4,397m

-€272m

Adjusted EBITDA margin bsi¹

14.6%

-0.5ppt

EBIT before special items

€2,474m

-€249m

Net income

€887m

-€910m

Operating cash flow

€603m

-€834m

Free cash flow

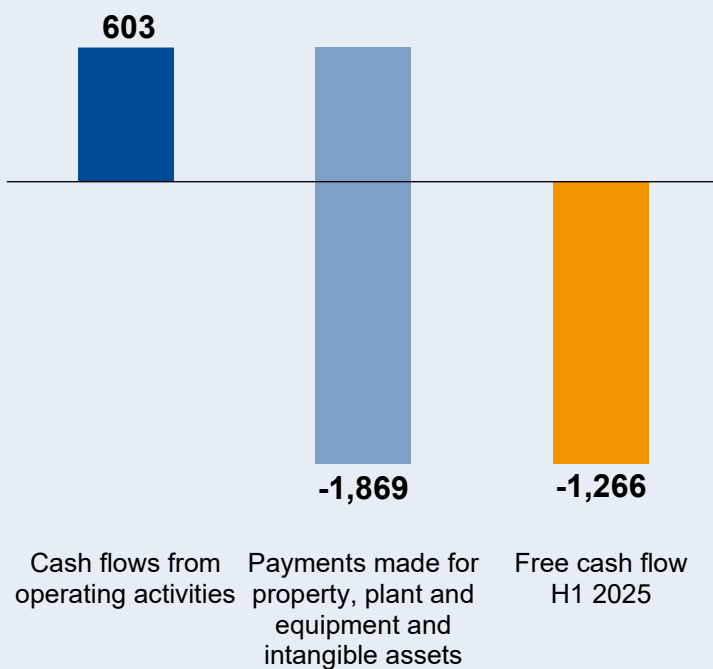
-€1,266m

-€279m

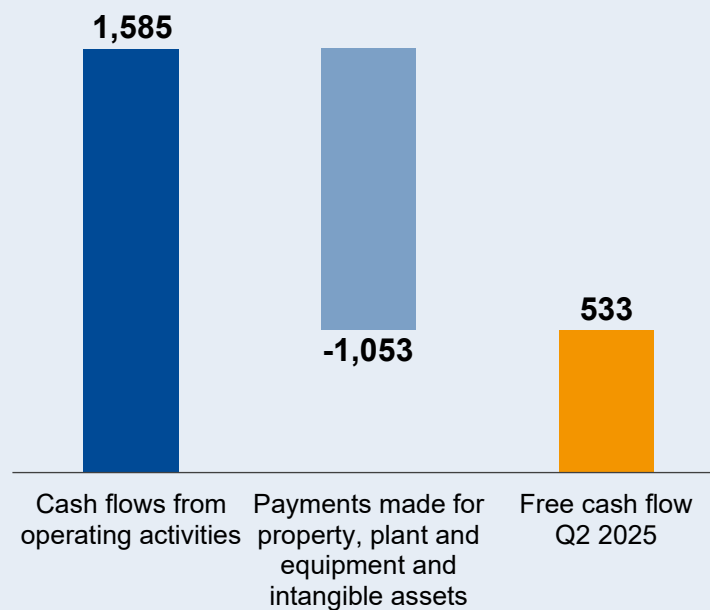
¹ EBITDA margin before special items excluding sales from precious and base metal services as well as precious and base metal sales in the Battery Materials and Environmental Catalyst and Metal Solutions businesses

Cash flow development in H1 2025 and Q2 2025

H1 2025 (million €)



Q2 2025 (million €)



Q2 2025 vs. Q2 2024

- **Cash flows from operating activities** decreased by €365 million to €1.6 billion, mainly due to lower cash inflows from changes in net working capital
- **Payments made for property, plant and equipment and intangible assets** declined by €428 million to €1.1 billion
- **Free cash flow** increased and came in at €533 million compared with €471 million in Q2 2024

We are executing measures to protect our balance sheet

- At €5.0 billion, **payments made for property, plant and equipment and intangible assets in 2025** are expected to be **€200 million lower than forecasted** in February; as of 2026, the figure is expected to be below the level of depreciation
- **Proceeds from divestitures** will partially be used **to reduce financial debt**
- **Cost savings programs** have been **accelerated** to generate €1.6 billion in annual cost savings by year-end 2025 (previously: €1.5 billion) and are **on track** to reach €2.1 billion by year-end 2026
- Strict focus on **reducing inventories**




Maintain financial strength

We are **committed to our prudent financial policy**

We strive to **maintain our single A credit rating**, best in class in the chemical industry

We will **reduce net debt and lower our leverage ratio**

We have secured natural gas supply for BASF in Europe – ensuring competitiveness, flexibility and sustainability



Natural gas – critical feedstock for chemical production and energy

- Long-term supply security until 2035
- Attractive commercial terms
- High volume flexibility for demand-driven operations
- Gas price diversification through multiple contracts
- Supply with low product carbon footprint (PCF)



Long-term contract with Equinor

- Agreement covering a substantial share of BASF's European gas needs, based on Norwegian natural gas
- Ensures competitive terms, low PCF, and long-term supply security



Diversification via Cheniere contract

- Long-term LNG supply starting in 2026
- Strategic price diversification to protect against European price volatility
- Self-managed end-to-end LNG supply chain

Outlook 2025 for BASF Group

	Adjusted forecast	Previous forecast	Zhanjiang startup impact 2025 ¹
EBITDA before special items (billion €)	7.3 – 7.7	8.0 – 8.4	minus ~0.4
Free cash flow (billion €)	0.4 – 0.8 (unchanged)	0.4 – 0.8	minus ~0.8
CO ₂ emissions ² (million metric tons)	16.7 – 17.7 (unchanged)	16.7 – 17.7	

Underlying assumptions (previous assumptions in parentheses)

Growth in gross domestic product

+2.0% – +2.5%
(+2.6%)

Growth in industrial production

+1.8% – +2.3%
(+2.4%)

Growth in chemical production

+2.5% – +3.0%
(+3.0%)

Average euro/dollar exchange rate


\$1.15 per euro
(\$1.05 per euro)

Average annual oil price (Brent crude)

\$70 per barrel
(\$75 per barrel)

¹ Extraordinary impact from the startup of the Zhanjiang Verbund site, impact on EBITDA before special items and on free cash flow (incl. impact on EBITDA before special items and on net working capital)

² Scope 1 and Scope 2



We are consistently executing our “Winning Ways” strategy and focus on those things that are in our control

Execute value-enhancing portfolio measures

Start up new Verbund site in Zhanjiang

Structurally reduce costs and bring down capex

Drive change towards a winning culture

Winning Culture + Value Creation

BASF Report to be published at the end of February; format of BASF Annual Shareholders' Meeting to alternate annually

BASF Report

- Process efficiency gains allow the return to the former publication schedule
- High number of non-financial data points will be collected and audited in a shorter period of time
- Planned publication date of BASF Report 2025: February 27, 2026

Annual Shareholders' Meeting

- Virtual ASM on May 2, 2025, went smoothly and expected cost savings were realized
- Shareholders, particularly retail investors, and shareholder representatives continue to favor the in-person format
- Planned in-person ASM on April 30, 2026; format to alternate in subsequent years (virtual in 2027; in-person in 2028; virtual in 2029, subject to approval by ASM 2027)

 **BASF**

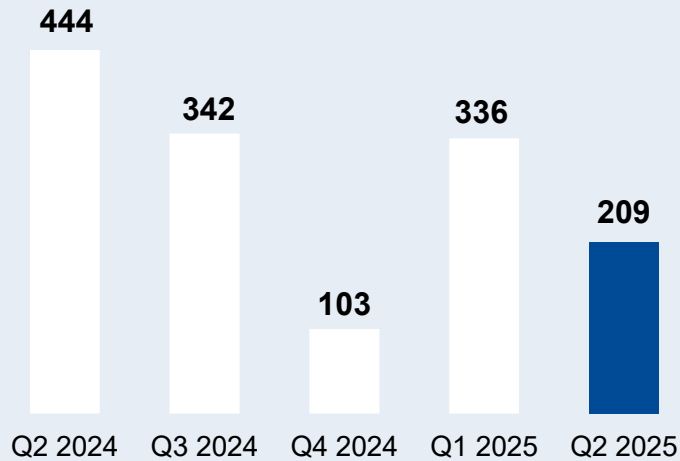
We create chemistry

BASF Group Q2 2025 vs. Q2 2024 and H1 2025 vs. H1 2024

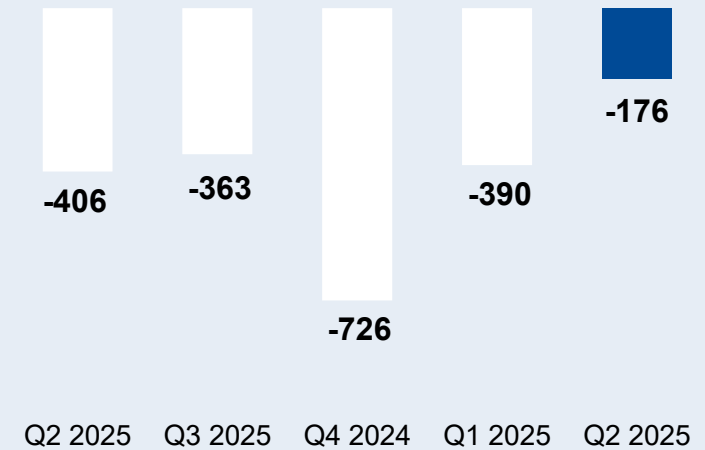
Financial figures	Q2 2025	Change	H1 2025	Change
	Million €	%	Million €	%
Sales	15,769	-2.1	33,171	-1.5
EBITDA before special items	1,772	-9.4	4,397	-5.8
EBITDA	1,475	-5.6	3,653	-13.4
EBIT before special items	810	-16.4	2,474	-9.1
EBIT	494	-4.3	1,690	-23.4
Net income from shareholdings	-72	.	-123	.
Net income	79	-81.6	887	-50.6

Chemicals

EBITDA before special items (million €)



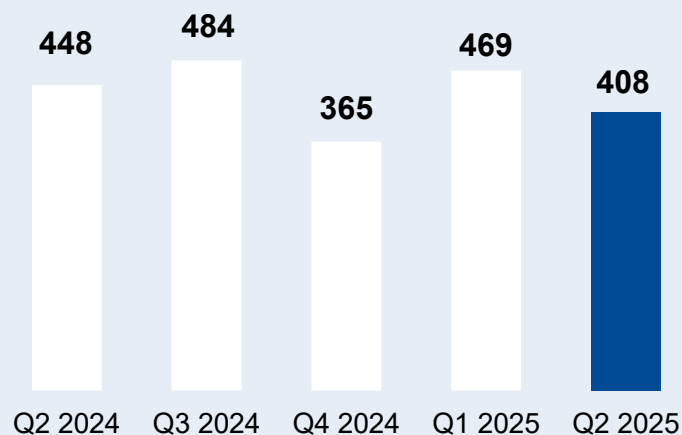
Segment cash flow (million €)



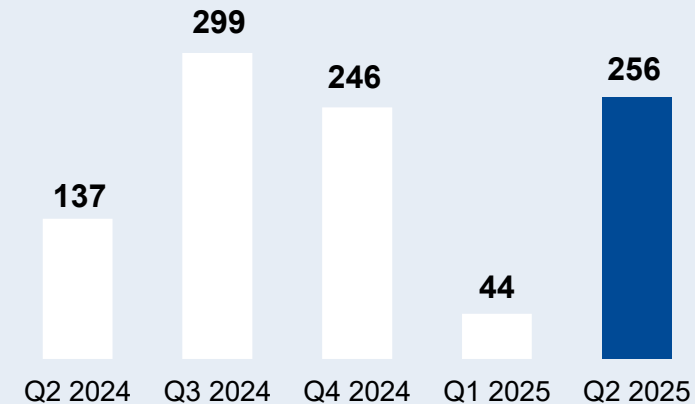
Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q2 2025 vs. Q2 2024	▼ -11.9%	▼ -0.6%	▼ -12.4%	▼ -2.5%	▲ 3.6%
H1 2025 vs. H1 2024	▼ -5.8%	▼ -1.5%	▼ -6.4%	▼ -0.9%	▲ 3.0%

Materials

EBITDA before special items (million €)



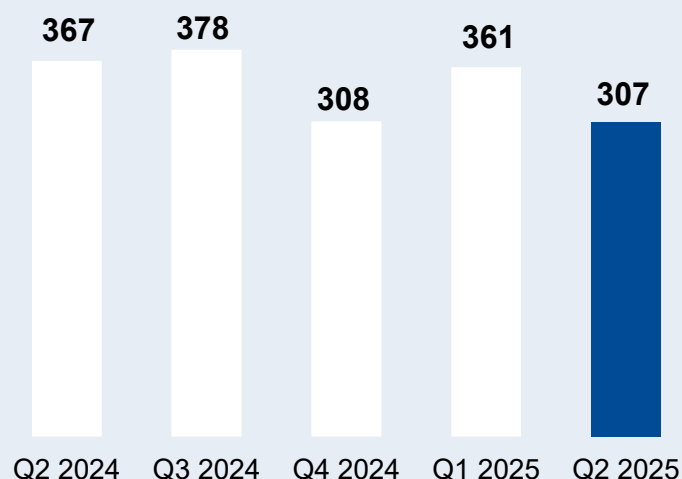
Segment cash flow (million €)



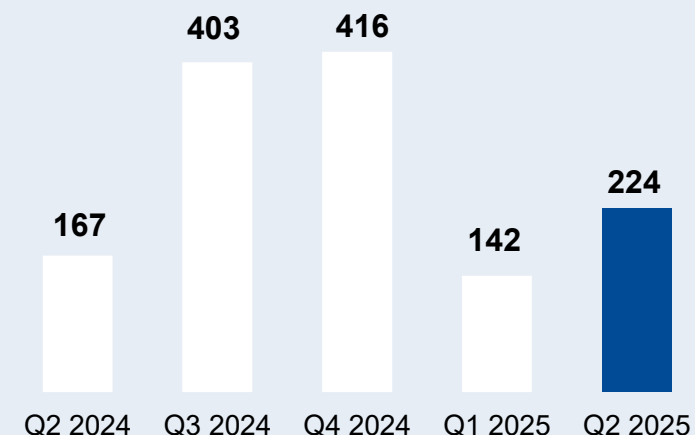
Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q2 2025 vs. Q2 2024	▼ -5.1%	▲ 1.5%	▼ -3.4%	▼ -3.2%	-
H1 2025 vs. H1 2024	▼ -2.4%	▲ 0.7%	▼ -1.8%	▼ -1.2%	▼ -0.1%

Industrial Solutions

EBITDA before special items¹ (million €)



Segment cash flow¹ (million €)

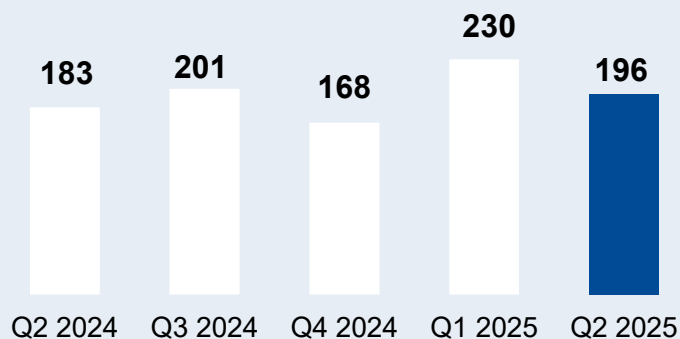


Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q2 2025 vs. Q2 2024	▼ -9.1%	▼ -2.6%	▼ -2.4%	▼ -3.0%	▼ -1.2%
H1 2025 vs. H1 2024	▼ -5.0%	▼ -1.3%	▼ -1.6%	▼ -1.1%	▼ -1.1%

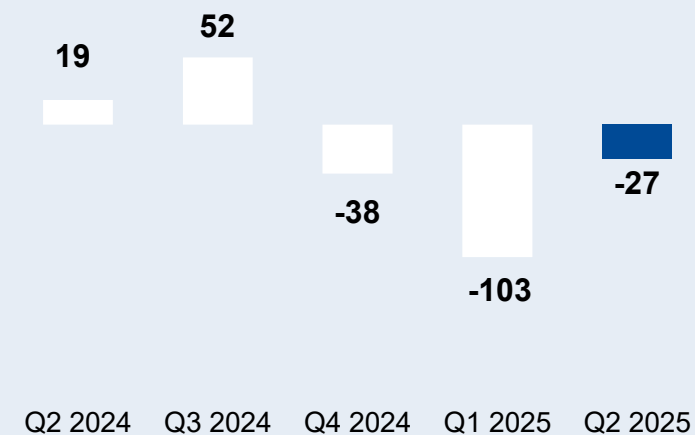
¹ Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the Catalysts division in the Surface Technologies segment. The prior-year figures have been adjusted accordingly.

Nutrition & Care

EBITDA before special items (million €)



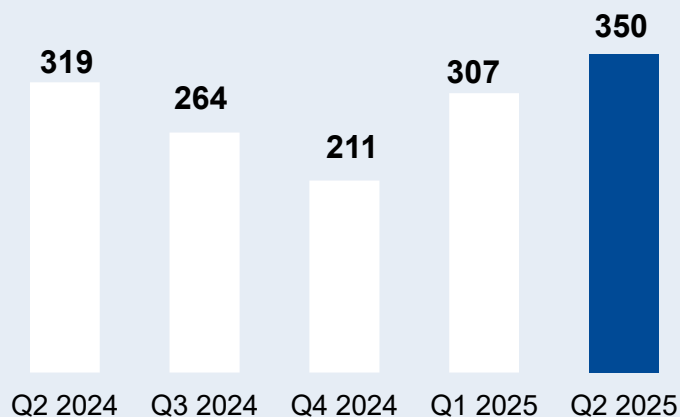
Segment cash flow (million €)



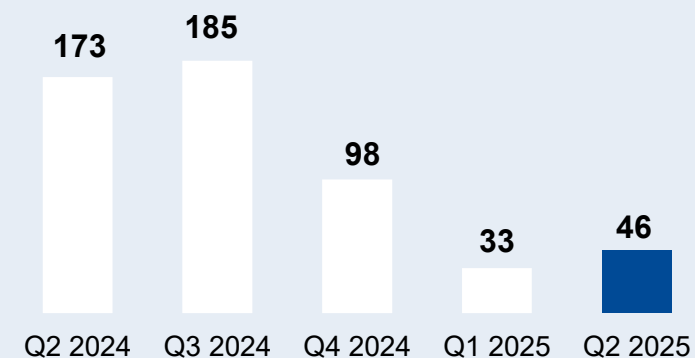
Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q2 2025 vs. Q2 2024	▼ -2.9%	▼ -3.9%	▲ 3.3%	▼ -2.6%	▲ 0.2%
H1 2025 vs. H1 2024	▼ -1.7%	▼ -3.7%	▲ 3.0%	▼ -1.1%	▲ 0.1%

Surface Technologies

EBITDA before special items¹ (million €)



Segment cash flow¹ (million €)

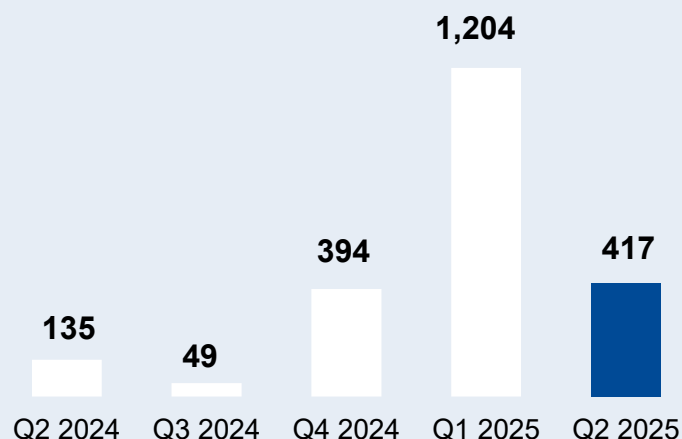


Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q2 2025 vs. Q2 2024	▲ 11.0%	▲ 12.8%	▲ 3.5%	▼ -5.2%	▼ -0.1%
H1 2025 vs. H1 2024	▲ 4.8%	▲ 6.4%	▲ 0.7%	▼ -2.2%	▼ -0.1%

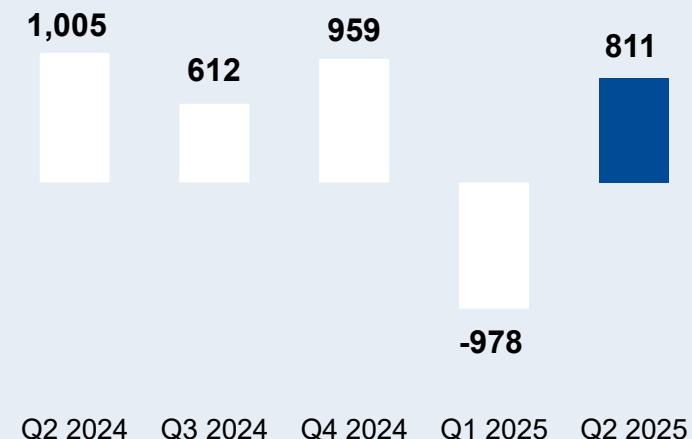
¹ Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the Catalysts division in the Surface Technologies segment. The prior-year figures have been adjusted accordingly.

Agricultural Solutions

EBITDA before special items (million €)



Segment cash flow (million €)



Sales development	Total	Volumes	Prices	Currencies	Portfolio
Q2 2025 vs. Q2 2024	▲ 13.5%	▲ 21.1%	▼ -1.6%	▼ -6.0%	-
H1 2025 vs. H1 2024	▼ -0.3%	▲ 4.0%	▼ -1.5%	▼ -2.7%	-

Review of “Other”

Financial figures	Q2 2025	Change	H1 2025	Change
	Million €	%	Million €	%
Sales	715	-17.9	1,618	0.7
EBITDA before special items	-114	.	-396	20.6
of which Costs of corporate research	-37	10.6	-74	11.4
Costs of corporate headquarters	-60	-3.8	-119	-0.8
Other businesses	64	-5.7	82	-6.3
Miscellaneous income and expenses	-81	.	-285	25.9
Special items in EBITDA	-102	68.9	-482	-22.9
EBITDA	-216	18.8	-877	1.4

Balance sheet

Million €	June 30, 2025	Dec. 31, 2024	Change
Total assets	77,668	80,415	-3.4%
<i>Noncurrent assets</i>	45,769	49,183	-6.9%
<i>Current assets</i>	31,899	31,232	2.1%
Equity	33,504	36,884	-9.2%
Equity ratio	43.1%	45.9%	-2.8ppt
Financial debt	23,854	21,762	9.6%
Net debt	21,281	18,781	13.3%

- **Total assets decreased by €2.7 billion to €77.7 billion**, due to lower noncurrent assets
- **Equity ratio amounts to 43.1%** compared with 45.9% at the end of 2024
- **BASF enjoys good credit ratings**, particularly compared with competitors
- BASF strives to **maintain its single A rating**