

News Release

BASF invests in the expansion of the polymer dispersions business in Merak, Indonesia

- **New expansion to provide additional styrene-butadiene dispersions to cater to the growth of new paper mills in Southeast Asia and Oceania**
- **Merak is situated in a strategic location with proximity to raw materials and customers**
- **New capacity will be operational from the second half of 2023**

Hong Kong, China – January 17, 2023 – BASF has announced an investment in the capacity expansion of polymer dispersions at its production site in Merak, Indonesia. The expansion is in line with the growing trend of high-quality packaging in ASEAN where key paper and board manufacturers are located.

“The expansion will bring additional supply reliability to fulfill the growing demand for acrylics and styrene-butadiene dispersions in the Southeast Asia, Australia, and New Zealand markets. It shows our commitment to enhancing regional production and providing quick responses to fulfill growing customer demand. It also reinforces BASF’s position as one of the leading and reliable suppliers in the region. With proximity to key raw materials and flexibility to produce both styrene-butadiene and acrylic dispersions, Merak remains a key supply point for all our customers, especially in the area of paper coatings,” said Bir Darbar Mehta, Senior Vice President of Dispersions Asia Pacific, BASF.

ASEAN is a fast-growing market for high-quality packaging, with a high

concentration of major paper and board manufacturers looking to expand their capacities in the region. The BASF Merak site is located in close proximity to our monomer suppliers and has an on-site jetty to facilitate logistics. The production line enhancement will be completed in the second half of 2023.

The site in Merak, Indonesia, established in 1994, produces polymer dispersions that offer a comprehensive portfolio of paper coatings, architectural coatings, and construction applications.

BASF's Dispersions & Resins division

The Dispersions & Resins division of BASF develops, produces and markets a range of high-quality polymer dispersions, resins, additives and electronic materials worldwide. These raw materials are used in formulations for a number of industries, including coatings, construction, adhesives, printing and packaging, electronics and paper. With its comprehensive product portfolio and its extensive knowledge of the industry, the Dispersions & Resins division offers its customers innovative and sustainable solutions and helps them advance their formulations. For further information about the Dispersions & Resins division, please visit www.dispersions-resins.basf.com.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. Around 111,000 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 six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of €78.6 billion in 2021. 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.