

# News Release

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## **BASF signs CNY 40 billion syndicated bank term loan facility with maturity of 15 years for its Verbund site in Zhanjiang, China**

- **Key milestone in BASF's strategy to finance the new Verbund site with local funds makes use of the low interest rate environment in China**
- **Highly attractive financing conditions thanks to BASF's financial strength and its strong sales and earnings growth in China over the years**

Ludwigshafen, Germany, and Zhanjiang, China – November 23, 2023 – BASF is taking advantage of the currently low interest rate environment in China and has signed a CNY 40 billion (approximately €5 billion) syndicated bank term loan facility with a maturity of 15 years for its new Verbund site in Zhanjiang. The new site is currently under construction in Guangdong province. The loan will be provided by major Chinese banks and offers flexible repayment options to optimize BASF's cash utilization.

BASF is financing the new Verbund site with a combination of around 20 percent equity and 80 percent debt. "By signing this bank term loan facility, BASF is implementing its strategy to finance the Zhanjiang project with funds from China," said Dr. Dirk Elvermann, Chief Financial Officer of BASF SE. The company's financial strength and proven track record of strong sales and earnings growth in China enabled BASF to obtain highly attractive financing conditions for the loan.

"We are impressed by the great support for the project from the local banking market," said Christian Jutzi, President Corporate Finance. "This underscores that our banking partners are confident that our new Verbund site will become a key platform for the long-term profitable and sustainable growth."

## **Background information on the BASF Zhanjiang Verbund site**

The Zhanjiang Verbund site is a major investment of BASF with up to €10 billion. It will be operated under the sole responsibility of BASF and will be the company's third largest Verbund site worldwide, following Ludwigshafen, Germany, and Antwerp, Belgium.

The BASF Creditor Story can be found online at:

<https://www.basf.com/global/en/investors/creditor-relations.html>.

### **About BASF**

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. More than 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 €87.3 billion in 2022. 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](http://www.basf.com).