

News Release

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BASF and Clayton, Dubilier & Rice to sell Solenis to Platinum Equity

- **Enterprise value of \$5.25 billion for Solenis, which includes net debt of around \$2.5 billion**
- **BASF holds 49% of the shares in Solenis; 51% of the shares are held by Clayton, Dubilier & Rice and the Solenis management**
- **Closing of the transaction expected before the end of 2021**

Ludwigshafen, Germany and Wilmington, Delaware, USA, July 6, 2021 – BASF and Clayton, Dubilier & Rice have signed an agreement to sell Solenis to Platinum Equity, a California-based private equity company founded in 1995. The transaction implies an enterprise value for Solenis of \$5.25 billion, which includes net debt of around \$2.5 billion, subject to adjustments at closing. Since February 1, 2019, BASF has held 49% of the shares in Solenis and accounted for its share in the company using the equity method; 51% of the shares have been held by funds managed by Clayton, Dubilier & Rice and the Solenis management. Pending approval by the relevant authorities, closing of the transaction is expected before the end of 2021.

With over 5,200 employees, Solenis is serving customers in water-intensive industries by helping them solve complex water treatment and process improvement challenges. In 2019, BASF transferred its paper wet-end and water chemicals business to Solenis, creating a leading global solutions provider for the paper and water treatment industries. In the fiscal year ending September 30, 2020, the company headquartered in Wilmington, Delaware, USA, generated sales of \$2.8 billion.

BASF and Clayton, Dubilier & Rice will fully exit their investment in Solenis as part of the transaction announced today. The transaction does not affect any of the existing mid- to long-term supply agreements and commercial relationships between BASF and Solenis. BASF will continue to supply products to or source products from Solenis under these agreements.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. More than 110,000 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 is organized into six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of €59 billion in 2020. 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.