

Johnson Matthey announces sale of Battery Materials

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- Johnson Matthey announces the sale of part of its Battery Materials business to EV Metals Group, a global battery chemicals and technology business, for £50 million cash
- Johnson Matthey will also receive a minority equity stake in EV Metals Group
- Completion expected Summer 2022
- EV Metals Group committed to investing in the business to commercialise CAM technology and preserve skilled jobs in UK

Johnson Matthey Plc (JM), a global leader in sustainable technologies, today announces that it has entered into an agreement for the sale of part of its Battery Materials business to EV Metals Group, a global battery chemicals and technology business.

The sale includes Johnson Matthey's assets at the Battery Technology Centre in Oxford & Battery Technology Centre and pilot plant in Billingham, a research centre in Moosburg, Germany and the partly constructed site in Konin, Poland. The sale does not include Johnson Matthey's LFP facility in Canada, which will be acquired by Nano One®, a clean technology innovator in battery materials, as announced yesterday – [see more here](#)

The sale also includes Johnson Matthey's eLNO® technology, underpinned by the GEMX® and CAM-7® cathode platforms that the company licensed from CAMX. EV Metals Group will continue to develop eLNO, building on the successful customer testing programme that Johnson Matthey had undertaken.

The Battery Materials business will be sold for a total consideration of £50 million in cash and Johnson Matthey will receive a minority equity stake in EV Metals.

In our interim results we fully impaired the carrying value of our battery materials assets as at 30th September 2021, resulting in a charge of £314 million, and announced on 12th January 2022 that we anticipated additional cash costs up to £150m. After taking into account the proceeds of this sale these net additional cash costs are now expected to be no more than £50m. The transaction is expected to complete over Summer 2022.

Liam Condon, Chief Executive of Johnson Matthey, says: "Johnson Matthey made the decision to exit Battery Materials due to insufficient returns, increased commoditisation of battery materials combined with the need for very high capital investments to remain competitive. With EV Metals Group vision and capability to be a fully integrated battery chemicals business, I am very confident that they are the right owner for the Battery Materials business going forward.

This important divestment means Johnson Matthey can now focus on our core portfolio and today I've outlined our new strategy, which explains how Johnson Matthey will create more value and help accelerate societal progress towards net zero."

Michael Naylor, Managing Director and Chief Executive Officer of EV Metals Group, says: "The acquisition of the Battery Materials Business is a strong strategic fit for EV Metals Group. It includes world class, leading technology for the production of cathode active materials. With our unique upstream, midstream and downstream business model, EV Metals is well positioned to drive the successful commercialisation of JM's CAM technology,

taking full advantage of the Group's 'mine to OEM' integrated supply chain, which addresses the long-term market challenge of both surety of raw materials and the supply of processed materials."

"EV Metals is committed to protecting all high-value, specialist jobs within JM's battery materials business and to driving further job creation by building out a UK EV supply chain. We are pleased to welcome the technology team in the UK and Germany who developed the Johnson Matthey Battery Materials business to the EV Metals team. We look forward to working with them to commercialise cathode active materials technology through the development of cathode active materials plants for electric vehicle and battery cell manufacturers in the UK and Europe, where demand is forecast to significantly outpace supply. We are also pleased to welcome Johnson Matthey as a shareholder of EV Metals Group."

ENDS

Johnson Matthey is a global leader in sustainable technologies that enable a cleaner and healthier world. With over 200 years of sustained commitment to innovation and technological breakthroughs, we improve the performance, function and safety of our customers' products. Our science has a global impact in areas such as low emission transport, energy, chemical processing and making the most efficient use of the planet's natural resources. Today about 15,000 Johnson Matthey professionals collaborate with our network of customers and partners to make a real difference to the world around us. For more information, visit www.matthey.com

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For further information

Johnson Matthey:

Email: [jmprr@matthey.com](mailto:jmpr@matthey.com)

Telephone: +44 207 269 8001

About EV Metals Group

EV Metals Group plc (EVM) is building a global battery chemicals and technology business for a clean energy future. EVM is focused on production of high purity chemicals and cathode active materials required in rechargeable batteries for electric vehicles and renewable energy storage. The business model and strategy of EVM is based on integration of upstream, midstream and downstream supply chains and global processing facilities to produce high purity chemicals and cathode active materials containing lithium, nickel cobalt and manganese for electric vehicle and battery cell manufacturers in UK, Europe and USA. . For further information on EVM, please visit www.evmgroup.com.

About CAMX



CAMX Power, a major lithium-ion battery material and design company in the U.S., matures promising technologies in targeted domains to be de-risked, IP-protected and scaled-up; then licenses them, with deep technology transfer, to large manufacturing partners. Its leading offer, developed across several decades, is the globally patented GEMX® cathode platform which improves all Nickel based cathodes thus significantly enhancing emobility™ and eportability™ energy storage products by cell and material makers. Samsung SDI and LG Energy Solution are among the other GEMX licensees.

For more information: www.camxpower.com