

28th May 2026

Johnson Matthey Plc

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

JM to acquire Cormetech, materially enhancing scale in Clean Air Solutions

Johnson Matthey Plc ("JM" or the "Group") is pleased to announce that it has reached an agreement to acquire CORMETECH Inc. ("Cormetech"), the leading and high-growth US manufacturer of Selective Catalytic Reduction ("SCR") catalysts providing emissions control for stationary power generation and industrial applications (the "Transaction").

Under the terms of the Transaction, JM will acquire Cormetech for an enterprise value of \$360 million payable in cash on completion, which represents a 10.3x acquisition multiple based on Cormetech's expected 2026 EBITDA¹. An additional earn-out consideration of up to a total of \$100 million may be payable in cash during calendar years 2028 and 2029, conditional on Cormetech achieving certain financial performance targets.

Key highlights

- **Acquisition of the leading SCR catalyst manufacturer with a significant market presence in a structurally growing US power generation market, with demand underpinned by the rapid construction of data centres**
- **Compelling strategic rationale: materially enhances the scale of JM's Clean Air Solutions business, with the enlarged portfolio comprising:**
 - Highly complementary emissions control products in power generation applications
 - Strong global category leadership in a total addressable catalyst market of over \$1 billion that is expected to deliver double digit growth over the medium term
 - Leading and differentiated portfolio of technology and IP, enabling the combined group to provide customised best-in-class catalysts and systems across a range of future energy platforms to a highly diverse customer base
- **Highly attractive financial outcomes: supports sustainable value creation for JM shareholders**
 - Cormetech is expected to deliver strong growth in sales and profit over the near, medium and long term that will be accretive to JM, underpinned by a large, secured c.\$300 million orderbook² and substantial c.\$1 billion project pipeline
 - Meaningful annualised run-rate synergies of at least \$20 million at the EBITDA level, to be fully realised by 2030. This is equivalent to c.60% of Cormetech's expected 2026 EBITDA and comprises approximately 70% revenue and 30% cost synergies
 - EPS accretive to JM from the first full year of ownership on a pre synergy basis
 - Return on invested capital to exceed JM's cost of capital within three years following completion
 - JM to operate at approximately 1.8 times pro forma leverage following the acquisition of Cormetech, sale of JM's Catalyst Technologies business and return of £1 billion net sale proceeds to JM shareholders, with strong Group cash generation supporting de-leveraging to within JM's 1.0 to 1.5 times target leverage range by 31st March 2029
- **Transaction expected to complete at the end of June or in July 2026 following receipt of customary regulatory approvals**

- **JM remains on track to deliver existing financial guidance on Group cash generation and shareholder returns, including returning £1 billion of net sale proceeds to shareholders following the sale of JM's Catalyst Technologies business to Honeywell International Inc. (completion expected by the end of August 2026)**

Liam Condon, Chief Executive Officer, Johnson Matthey, said:

The acquisition of Cormetech is the next step in delivering our strategy of focusing on Johnson Matthey's strengths. This is a business we have long admired, given its leading position and longstanding and diverse customer relationships in emissions control for the rapidly growing US power generation market. Through this highly complementary acquisition, we will be able to materially enhance the scale of our Clean Air Solutions business whilst delivering attractive financial outcomes to support sustainable value creation for our shareholders.

Together with the expected sale of our Catalyst Technologies business, this transaction represents another important milestone in our strategy to further strengthen JM, driving long-term value creation and cash generation.

Overview of Cormetech

Cormetech was founded in 1989 and is the global leader in the design, production and full life-cycle management of SCR catalysts for natural gas turbines and coal-fired power plants. SCR catalysts provide a highly effective solution to clean the air of nitrogen oxides pollutants emitted by industrial, refining, petrochemical and power generation companies.

Cormetech has a significant presence in the US SCR market and provides solutions to over 400 customers, of which 90% have used Cormetech's products for over a decade. As a result, Cormetech has established the largest global installed SCR catalyst base operating in over 2,500 SCR systems, which total over 300GW of generation capacity worldwide. The installed base supports highly recurring replacement cycle driven sales, which are protected by Cormetech's IP. The company currently operates two manufacturing sites in the US and has c.350 employees, delivering 2025 sales of \$129 million (+15% annualised CAGR since 2020) and EBITDA of \$16 million (+65% annualised CAGR since 2020). Cormetech expects to deliver c.\$180 million of sales and c.\$35 million of EBITDA for 2026³.

Overview of JM's Clean Air Solutions business

Johnson Matthey's Clean Air Solutions business serves the stationary emissions market in the marine, industrial and utilities segments through SCR and oxidation catalysts, system and service offerings for diesel and gas-based power generation.

The business capitalises on JM's 50+ year history in automotive emissions control, focusing on the mitigation of criteria pollutants (nitrogen oxides and carbon monoxide and particulates) and greenhouse gases (methane and carbon dioxide). The business benefits from a strong base of repeat customers with over 70% of sales from returning customers. Clean Air Solutions' scalable system designs are capable of serving stationary engines ranging in size from 50kW to 5MW. Clean Air Solutions operates manufacturing sites in Germany and Mexico and delivers the majority of sales to North American customers, generating total sales of £67 million and underlying operating profit of £10 million during 2025/26.

The combination of Clean Air Solutions and Cormetech will result in a fast-growing business with sales in excess of £200 million and an operating margin of at least mid-teens in 2026/27.

Compelling strategic rationale and highly attractive financial outcomes

Structural growth in a large addressable market

The Transaction will strengthen JM's position in the US power generation market, which is benefiting from the rapid expansion in data centre construction. This increasing demand for data centres, together with tighter US nitrogen oxides emissions regulations and greater usage of distributed generation systems to increase energy reliability, is expected to underpin long-term structural demand for higher value SCR catalysts to generate cleaner electricity.

Together with similar structural growth characteristics across the global oxidation catalyst market served by JM today, the combined Clean Air Solutions and Cormetech business will operate with global leadership in a highly attractive, large and growing addressable market. The global SCR and oxidation catalyst market was worth \$1.1 billion in 2025 and is forecast to grow at a c.11% CAGR to 2030⁴.

Global leadership with highly complementary portfolios and technologies

Within this large and growing addressable market, the Transaction will create a leading global provider of stationary emissions catalysts, combining two businesses with highly complementary products, technologies, geographies and customers. Cormetech represents a compelling investment opportunity that is aligned to JM's strategic objectives, and immediately and materially enhances the scale of JM's existing Clean Air Solutions business.

The Transaction will also deliver a leading and differentiated portfolio of honeycomb technology and IP from Cormetech. In particular, Cormetech's IP in gas turbines and module designs will enable JM to offer customised best-in-class catalysts and systems for a range of energy platforms. This capability will become increasingly important as distributed generation requires a range of customised approaches depending on the fuel selection and mode of power generation. Cormetech is also in the process of developing advanced carbon capture technology that is expected to be commercialised over the medium term, thereby further strengthening JM's technical capabilities.

In that context, the combined Clean Air Solutions business broadens JM's ability to serve customers across the most significant power generation sources, both today and through the energy transition. Its combined capabilities include control solutions for harmful emissions from natural gas turbines, diesel and natural gas engines, and coal-fired power plants. Over time, the business will be strongly positioned to support emerging technologies, including mixed-fuel turbines using hydrogen, ammonia and natural gas, as well as fuel-agnostic engines and fuel cells capable of operating on methanol, ammonia, hydrogen, propane, diesel and gas.

Highly attractive financial outcomes

The Transaction is expected to deliver highly attractive financial outcomes and sustainable value creation to JM shareholders, due to a combination of the strong underlying financial profile of Cormetech and the substantial synergies that are expected to be realised from the acquisition.

On a standalone basis, Cormetech has delivered a strong financial track record of profitable growth that is expected to continue as the business benefits from the structural growth drivers and its leadership position in its core US SCR market. This is expected to drive strong growth in pre-synergy sales and profit over the near, medium and long term, which will be accretive to JM. In particular, JM's confidence in the delivery of this financial performance is underpinned by Cormetech's secured c.\$300 million orderbook² from its longstanding customer base that supports sales in 2026 and 2027, in addition to its substantial c.\$1 billion project pipeline over

the medium-term that primarily comprises US-based projects relating to data centres. Cormetech's leading market position and strong financial characteristics are expected to enable the business to self-fund its modest organic growth capex requirements over this period.

JM also expects to realise meaningful combination synergies. The run-rate synergy quantum is expected to be at least \$20 million at the EBITDA level, to be fully realised by 2030. This is equivalent to c.60% of Cormetech's expected 2026 EBITDA. Approximately 70% of the run-rate synergies comprise revenue benefits through cross-selling Cormetech and JM Clean Air Solutions products to the existing customer base, and leveraging the strong combined commercial offering to attract new customers. The remainder of the synergies comprise cost savings that primarily include lower procurement spend and other operating efficiencies. JM expects to incur approximately \$6 million of total one-off costs during 2026 and 2027 to deliver the run-rate synergies.

In aggregate, the Transaction is expected to deliver earnings per share accretion to JM on a pre synergy basis from the first full year following completion. Return on invested capital is expected to exceed the Group's cost of capital within three years following completion of the Transaction, demonstrating the Group's focus on capital discipline and value creation.

JM has prepared a detailed plan to integrate Cormetech with its Clean Air Solutions business. This includes operating the enlarged business independently of the rest of Clean Air following completion of the Transaction, in order to drive continued strong performance and realise synergies.

Financial information and guidance

The Transaction will be funded from JM's existing debt facilities. Following the acquisition of Cormetech, JM reiterates its guidance on Group cash generation and shareholder returns. This includes:

- The return of £1 billion of net proceeds to JM shareholders following the expected completion of the sale of JM's Catalyst Technologies business to Honeywell International Inc. (completion expected by the end of August 2026)
- Annualised sustainable free cash flow generation of at least £250 million by 2027/28, supporting shareholder returns of at least £200 million per annum in respect of 2026/27 and beyond (split between ordinary dividends and share buybacks)

Following completion of the acquisition of Cormetech, the sale of JM's Catalyst Technologies business and the return of £1 billion net sale proceeds to shareholders, JM expects to operate at pro forma leverage of approximately 1.8 times net debt to EBITDA as at 31st March 2027. The strong expected cash generation of the Group, consistent with current guidance, is expected to support balance sheet de-leveraging to within JM's target leverage range of 1.0 to 1.5 times net debt to EBITDA by 31st March 2029.

Next steps

The Transaction is subject to customary conditions, including the receipt of certain customary regulatory approvals, and is expected to close at the end of June or in July 2026.

Evercore is acting as Financial Adviser and Eversheds Sutherland is acting as US Legal Adviser to JM in connection with the Transaction.

The person responsible for the release of this announcement is Simon Price, General Counsel and Company Secretary of JM.

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Johnson Matthey Plc is listed on the London Stock Exchange (JMAT)
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Notes:

1. Cormetech expected December 2026 EBITDA of approximately \$35 million. Including \$20 million of run-rate synergies, the acquisition multiple is c.6.5x EBITDA.
2. Orderbook represents orders due for delivery in 2026 and 2027.
3. Financials presented on a continuing, IFRS basis with period end of 31-December.
4. Source: Advancy.