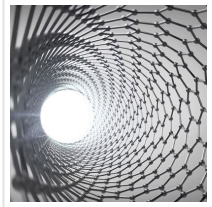


Cabot Corporation Strengthens Market Position by Purchasing Shenzhen Sanshun Nano New Materials



2020-02-18

Cabot Corporation, an American specialty chemicals and performance materials company headquartered in Boston, has recently acquired Shenzhen Sanshun Nano New Materials Co., Ltd (SUSN), the world's second-largest producer of CNTs, for around \$115 million, intending to strengthen its market position and formulation capabilities for outpacing its competitors in the rapidly growing battery market.

[Cabot China Limited](#), a wholly owned subsidiary of Cabot Corporation (NYSE: CBT), entered into an agreement to purchase Shenzhen Sanshun Nano New Materials Co., Ltd (SUSN), a leading [carbon nanotube \(CNT\)](#) producer in [China](#), for approximately \$115 million in enterprise value that includes liabilities and contingent payments, company officials announced today. The acquisition significantly strengthens Cabot's market position and formulation capabilities in the high-growth batteries market, particularly in [China](#), which is the largest and fastest growing electric vehicle market in the world.

As the second largest producer of CNTs globally, SUSN has capability to manufacture both dry powder CNTs and dispersions and has a proven track record of commercial success in the lithium-ion battery market. The addition of CNTs enhances Cabot's suite of conductive carbon product offerings, which today includes the VULCAN XC-series carbon blacks, PBX® carbon performance additives for advanced lead-acid batteries, LITX® conductive additives for lithium-ion batteries, and the recently announced ATHLOS™ carbon nanostructures. With this acquisition, Cabot will be the only carbon additive supplier with commercially proven carbon black, CNT, carbon nanostructure and dispersion capabilities.

"SUSN fits strongly with our strategy of growing in the formulations space and provides a new technology platform for our energy materials business," said Jeff Zhu, senior vice president and president, Performance Additives business. "Combining their leading CNT and dispersion capabilities with our carbon additive technology and battery expertise will create new opportunities to grow our position in the fast-growing energy storage market. This acquisition

will not only strengthen our global leadership position in carbon additives but allows us to deliver new innovative solutions enabling improved battery performance at an optimized price/performance ratio.”

Blended conductive carbon additive (CCA) dispersions are being increasingly adopted by battery manufacturers to improve performance and reduce the cost of materials and CNTs are the fastest growing conductive carbon additive in energy storage.

“This acquisition creates a unique opportunity for Cabot to create world-class formulated solutions and provide customers with an even more comprehensive range of products to meet their needs,” said Jim Makuc, vice president and general manager, Energy Materials.

SUSN’s trailing twelve-month revenue was \$28 million and the combination of Cabot’s energy materials portfolio and SUSN will create a business with approximately \$50 million in revenue. Revenue is expected to grow at a rate of 20-25% over the next five years from continued growth in electric vehicles and other lithium-ion battery storage applications, making this a meaningful part of Cabot’s portfolio of specialty chemicals businesses.

SUSN commissioned a new CNT plant in [China](#) in November 2018, which has sufficient capacity to support growth over the next several years. The company will be managed as part of Cabot’s global energy materials business within the Performance Chemicals segment. The parties expect to close the transaction in the second quarter of fiscal 2020.

Read the [original article](#) on Business Wire.