



Cabot Corporation to Acquire Shenzhen Sanshun Nano New Materials Co., Ltd (SUSN)

January 6, 2020

Acquisition strengthens market position and formulations capabilities in high-growth batteries space

BOSTON--(BUSINESS WIRE)--Jan. 6, 2020-- 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.

About Cabot Corporation

Cabot Corporation (NYSE: CBT) is a global specialty chemicals and performance materials company, headquartered in Boston, Massachusetts. The company is a leading provider of [rubber](#) and [specialty carbons](#), [activated carbon](#), [inkjet colorants](#), [masterbatches and conductive compounds](#), [fumed silica](#), and [aerogel](#). For more information on Cabot, please visit the company's [website](http://www.cabotcorp.com) at: <http://www.cabotcorp.com>.

About Shenzhen Sanshun Nano New Materials Co., Ltd (SUSN)

Founded in 2011 and headquartered in Shenzhen, China, SUSN is a leading carbon nanotubes (CNTs) and dispersions producer that supplies lithium-ion battery manufacturers both in China and globally. SUSN has a wide range of products covering single-walled CNTs, multi-walled CNTs and various blends to meet the ever-increasing needs of the battery industry.

Forward-Looking Statements

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release involving the Company that are not statements of historical fact are forward-looking statements and are subject to risks and uncertainties inherent in projecting future conditions, events and results. Such forward looking statements include statements regarding Cabot's expectations pertaining to the timing of completion of the acquisition, SUSN's capacity for growth over the next several years and the expected benefits of the acquisition, including to Cabot's future financial performance. Such expectations are based upon certain preliminary information, internal estimates and management assumptions, expectations and plans. For a discussion of the risks and uncertainties that could cause results to differ from those expressed in the forward-looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K.

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