



Prayon and Pulead to create joint venture for manufacture and sale of phosphate-based material for lithium-ion batteries

03/11/2015 - Major cathode material producer Pulead (China) and phosphate leader Prayon (Belgium) have entered into an agreement to form a joint venture for the manufacture and sale of lithium iron phosphate (LFP) under licence from LiFePO₄+C Licensing LLC (*). The two companies have also agreed to cooperate closely on other LFP-related raw material supply matters.

Lithium iron phosphate is a type of cathode material used to store energy in lithium-ion rechargeable batteries. The cathode material is one of the most important differentiating components of lithium ion batteries and has a major influence on the final performance and cost of a rechargeable battery. Thanks to its performance and superior safety profile, LFP offers great potential for hybrid and electric vehicle batteries, as well as for energy storage systems.

The joint venture will help meet the increasing global demand for licensed LFP. Even in the short term, demand far outstrips licensees' production capacity. In fact, global demand for LFP is expected to grow at an average annual rate of 30 % between 2014 and 2020, mainly driven by industrial batteries, e-buses and e-cars. Lead acid's replacement with LFP in batteries for micro-hybrid vehicles is set to trigger a further rise in demand from 2020 onwards. All in all, market demand worldwide is expected to increase from 25,000 metric tonnes in 2015 to 100,000 tonnes in 2020.

Yuan Gao, President and CEO of Pulead, commented: "We at Pulead are very pleased to join forces with Prayon and to be able to meet the growing demand for LFP together under the LiFePO₄+C licence. We will strive to create value for our battery and end user customers by combining our strengths, bringing together Prayon's in-depth knowledge and decades of experience in phosphate chemistry and Pulead's expertise in battery materials."

Yves Caprara, CEO of Prayon, added: "Prayon is delighted to partner with such an established player as Pulead. By joining forces, we will create significant economy of scale and ensure that the increased demand for LFP is met optimally by supplying quality material with proven reliability at a competitive price."

(*) LiFePO₄+C grants a limited number of sublicenses to suitable lithium iron phosphate (LFP)/lithium metal phosphate (LMP) producers who are capable of meeting market demand with high-quality products. In 2012, Prayon obtained a worldwide sublicense under a portfolio of key patents for the manufacture, sale and use of LMP, including LFP.

About Prayon

Prayon is a fully integrated global phosphate producer headquartered in Belgium, with manufacturing operations in Belgium, France and the United States. Jointly owned by OCP (Morocco) and SRIW (Belgium), Prayon manufactures and markets an extensive range of purified phosphoric acids, phosphate salts and fluorine products that are used in food, fertilisers and a range of industrial applications. Prayon also manufactures lithium iron phosphate, a cathode material used in hybrid and electric vehicle batteries as well as stationary applications. Prayon is constantly exploring new products designed to serve emerging market trends.

www.prayon.com

About Pulead

Established in 1999 by Oriental Investment Co. Ltd and Peking University, Pulead Technology Industry is one of China's leading Li-ion battery cathode producers. Together with its JV subsidiary, Pride Power (www.pride-power.com), which manufactures large-format battery packs for automotive and energy-storage applications, Pulead is becoming a major technology developer and material and pack supplier in China's Li-ion battery supply chain.

www.pulead.com.cn

For more information

Prayon contact: Dominique Maréchal (Communications Manager)
dmarechal@prayon.be - Mobile: +32 476 86 02 58

Pulead contact: Dr. Haohan Wu (International Business Manager)
wuhaohan@pulead.com.cn - Mobile: +86 (10) 8011 9907