



NEU Battery Materials concludes oversubscribed US\$3.7M Seed Funding Round

3 July 2023, SINGAPORE – NEU Battery Materials, a Singapore-based lithium-ion battery recycling startup, has raised a total of US\$3.7M in an oversubscribed Seed Funding Round led by SGInnovate, a Singapore government-backed Deep Tech investor and ecosystem builder. The round was also joined by ComfortDelGro Ventures, Shift4Good, Paragon Ventures I, and other angel investors.

The Singapore-based Deep Tech startup is pioneering an electrochemical redox targeting technology for the sustainable recycling of battery materials. Their patented process requires electricity as its only consumable, and utilises regenerative chemicals to avoid toxic waste and harsh acids. Being less polluting than more commonplace methods such as hydrometallurgy and pyrometallurgy, it paves the way for the wider adoption of a more sustainable way to recycle all forms of lithium-ion (Li-ion) batteries.

This technique produces battery-grade lithium which can be supplied back to battery manufacturers, and is the world's first redox targeting recycling method capable of processing lithium iron phosphate (LFP) batteries.

“This achievement fuels our ambitious growth strategy, empowering us to expand into new markets and enhance the capabilities of our Singapore facility. With our advanced automated process line, we are poised to efficiently handle a greater influx of batteries from partners, further bolstering the sustainability of batteries. Together with our partners, we are driving positive change in the industry, ensuring a greener and more sustainable future for all,” said **Bryan Oh, CEO, NEU Battery Materials**.

LFP batteries alone have accounted for almost 30% of all new battery capacity for light-duty vehicles in 2022, lagging only behind lithium nickel manganese cobalt oxide (NMC). The burgeoning battery chemistry's growing EV market share has been driven by demand from Chinese EV OEMs, which have been responsible for over 95% of global demand^[1].

Overall industry projections across all sectors see the Li-ion battery value chain providing revenue opportunities of over US\$400 billion by 2030, roughly five times more than in 2022 (McKinsey Insights Team)^[2]. However, waste generated by the industry is also expected to grow. It is estimated that by 2030, over 11 million tonnes of used batteries will become part of global waste systems^[3].



“LFP battery recycling, when done in a sustainable manner, will be the foundation of a viable circular economy for batteries - offering new, more stable supply and revenue streams, while reducing the negative, and often unequal negative impacts of mining,” said **Tong Hsien-Hui, Executive Director – Investments, SGIInnovate**. “Emerging technologies that offer scalable, impactful solutions to sustainability goals is one of SGIInnovate’s key focus areas, and we are pleased to support NEU Battery Materials in their wider decarbonisation mission.”

With the team having achieved the production of battery grade lithium products, NEU Battery Materials is one step closer to achieving its mission of meeting the global demand for cleaner lithium-ion batteries. Most recently, the startup broke ground on a 150-square-metre pilot recycling plant in Singapore, capable of processing approximately 150 tonnes of lithium batteries a year and was recognised by Cleantech Group’s *2023 APAC Cleantech 25* list. The company is also working with Saft Batteries via TotalEnergies’ R&D Teams to cooperate on LFP battery recycling laboratory trials.

“As one of the world’s largest land transport companies with a global fleet of over 34,000 vehicles, we are committed to environmental sustainability. As we are electrifying our vehicles, our investment in NEU Battery Materials will allow us to explore the technologies needed towards recycling our batteries more responsibly,” said **Cheng Siak Kian, Managing Director and Group CEO, ComfortDelGro**.

The funds raised in the round will accelerate deployment of NEU Battery Materials’ automated recycling line, which will lower operational manpower requirements. The startup will also focus on the further development of partnerships in key global markets to support their battery requirements, and forge new direct partnerships with EV OEMs and battery manufacturers to further the adoption of its technology within the transport and mobility sector. In broadening its capabilities, NEU Battery Materials has also initiated research into recycling of other lithium battery chemistries such as the prominent cobalt-based batteries used in smart devices and EVs.

“Recycling batteries holds strategic significance especially within the European Union (EU). According to the EU’s Green Deal, the goal is to recover 50% of lithium by 2027, ramping up to 80% by 2031. Yet right now, Europe only recycles about 1% of its lithium. That’s why we’re thrilled to support the founders of NEU Battery Materials as they work on building a scalable and eco-friendly Li-ion battery recycling solution. We believe NEU Battery Materials has what it takes to drive the EU’s circular economy vision forward and lessen the reliance on imported critical metals for its energy transition,” said **Sebastien Guillaud, Managing Partner – Shift4Good**.

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About NEU Battery Materials

NEU Battery Materials is a lithium battery recycling company which produces clean and sustainable lithium, through its patented electrochemical technology. This technology is the world's first sustainable redox targeting battery recycling solution. By bringing this technology to market, NEU Battery Materials will help to meet the surge in demand for lithium batteries in a clean and sustainable manner, especially for lithium iron phosphate batteries.

<https://www.neumaterials.com>

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