

# SK Battery America to allocate 75% capacity to Hyundai and Kia

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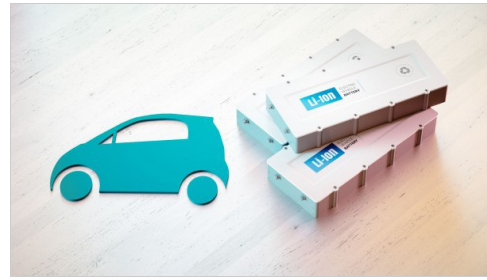
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## SK On's Georgia plant is capable of supplying about 16.5 GWh of batteries per annum

SK Battery America (SKBA), the US subsidiary of South Korean battery-maker SK On, is expanding its battery production capacity to support Hyundai and Kia's growing electric vehicle lineup for the North American markets, according to a news report published by *Business Korea* on Feb. 14.



Source: Getty Images/ Petmal

Citing unnamed sources who are aware of the development, the news reported that as early as March, SKBA will begin producing batteries for Hyundai and Kia EVs on 9 out of 12 production lines at its Georgia, US, Plant 1 and 2. This would mean that SKBA is planning to convert 75% of its US production capacity for the South Korean carmakers.

The move is in line with Hyundai and Kia's plans of ramping up their EV production in the US at their all-new, highly automated car manufacturing facility — Metaplant America. The report mentioned that Hyundai and Kia are preparing for a full-scale mass production of the Ioniq 5, beginning from March.

For SKBA, the strategic location of its Georgia plant provides convenient and timely delivery of batteries to Hyundai's Metaplant, which is located in the same state. According to the report, SKBA can supply batteries to Hyundai's Metaplant within four hours via land transportation. This proximity offers reduced transportation time and logistics costs as compared to the previous method of importing batteries from South Korea and Europe, the report said, adding that SKBA's Georgia plant is capable of supplying about 16.5 GWh of batteries per annum, which is estimated to be enough for powering about 200,000 EVs.

The report further mentioned that the expansion of local battery operations will bring increased benefits from the production tax credit (AMPC) under the US Inflation Reduction Act (IRA). Interestingly, in 2024 alone, SK On had received benefits worth 292.4 billion won (about \$202 million) from AMPC, the report stated.

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