Since January 2020 Elsevier has created a COVID-19 resource centre with free information in English and Mandarin on the novel coronavirus COVID-19. The COVID-19 resource centre is hosted on Elsevier Connect, the company's public news and information website.

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which is well above its cost of capital. Finally, it is aiming for strong free cash flow generation in relation to profit, with a goal for a cash conversion ratio of more than 40%. These new targets complement its existing financial goals: to reach an EBITDA margin of 18–20%, pay a reliable dividend and retain a solid investment grade rating.

For the first quarter of 2020, Evonik reported sales of €3.24 billion, down 1% year on year despite the initial impact of the coronavirus crisis. EBITDA declined by 5% to €513 million due to lower volumes and selling prices while adjusted net income fell 27% to €181 million.

More information: www.evonik.com

Nouryon expands manufacturing capacity for organic peroxides in Brazil

Speciality chemicals company Nouryon has completed an expansion project that more than doubles manufacturing capacity for organic peroxides at its plant in Itupeva, Brazil. The expansion adds capacity for products including methyl ethyl ketone peroxides (MEKP) as well as dibenzoyl peroxide (BPO) pastes and waxes. These materials are curing agents essential for the production of composites serving fast-growing markets such as wind turbines and civil construction.

The investment in Itupeva has transformed the site into a state-of-the-art production facility, with one key upgrade being the installation of an advanced safety instrumented system (SIS), the company reports. The capacity expansion provides composites customers with greater supply reliability across Nouryon’s entire organic peroxides product portfolio, according to Alain Rynwalt, the company’s VP of Polymer Catalysts.

This is the latest in a series of investments Nouryon has made to strengthen its polymer catalysts business, which includes organic peroxides and metal alkyls. A leading producer of essential ingredients for the global polymer industry, the company supplies its growing customer base from production facilities in Europe, Asia and the Americas. The recent investment in Itupeva strengthens its supply position even more in this fast-growing region, comments Johan Landfors, president of Technology Solutions at Nouryon.

In other news from the company, Nouryon has increased prices for its Trigonox 101 polymerization initiator from 1 June 2020. The price adjustment is necessary to account for a 10–15% increase in the cost of raw materials, it says. Prices for the polymerization initiator have been increased by a corresponding amount, subject to pre-existing contractual requirements. Trigonox 101 and its formulations are used in polymer production, polymer modification and crosslinking in a wide range of plastic and rubber applications.

More information: www.nouryon.com

Songwon Industrial posts solid financial results

After a challenging end to 2019 [ADPO, May 2020, p. 11], South Korea’s Songwon Industrial Group experienced a solid start to 2020 with ‘sound growth’ in both sales and profits, it reports. The company achieved net profit of KRW11.18 billion (c. €8.2 million) on consolidated sales of KRW210.54 billion in the first quarter of 2020, representing year-on-year increases of 27.4% and 10.6%, respectively, compared to the same period last year despite growing concern for the potential impact of the rapid spread of COVID-19.

In 1Q 2020, Songwon recorded an operating profit of KRW18.07 billion, up 31.3%, EBITDA of KRW26.99 billion, a year-on-year increase of 16.9%, and EBIT of KRW18.45 billion, up 32.3%. Both the EBITDA and EBIT margins increased in the first quarter, to 12.8% and 8.8%, respectively. Compared to the same reporting period in 2019, sales showed a positive development in all of the group’s regional markets in 1Q 2020. The Industrial Chemicals and Performance Chemicals divisions also both recorded higher sales in the three months ended 31 March 2020.

Sales for Industrial Chemicals increased by 10.7% to KRW156.02 billion while Performance Chemicals posted a 10.1% rise in sales to KRW54.52 billion in 1Q 2020. For Industrial Chemicals, this was mainly caused by increased stockpiling by customers, beyond the usual seasonal replenishment of inventory at the beginning of the year, due
to concern over potential supply disruptions caused by the coronavirus pandemic and the desire to avoid supply deficits, Songwon reports. The company’s key Polymer Stabilizers business, in particular, benefited from this increased demand during the quarter. Despite the COVID-19 outbreak leading to an extended Chinese New Year and paralysing China’s automotive industry, the Performance Chemicals division started 2020 stronger than expected, Songwon says. The Tin Intermediates/Catalyst business was able to take advantage of competitors’ line stoppages in Europe and capture new business, it reports. As a result, the division increased its capacities in 1Q 2020 to meet the higher demand, especially for Tin Intermediates. In addition, the division’s PVC Additives business also saw a sequential rise in profitability compared to 4Q 2019.

By the time COVID-19 reached South Korea at the beginning of February, Songwon says it had implemented its continuity plan to counteract possible raw material shortages. It also increased capacity levels to match the rise in demand and to ensure that an optimal cost position for the group was maintained. In addition, Songwon’s plant in Pingdu, Shandong Province, was granted special permission by the Chinese government to remain open in order to supply chemicals necessary for the production of protective respiratory face masks. Looking ahead, the company intended to focus on minimizing the impact of COVID-19 on both its own business and that of its customers, while remaining committed to improving profitability. In particular, Songwon said it would align its pricing strategies, continue to make operational improvements, and seek ways through its comprehensive global distributor network to further market penetration and capitalize on opportunities.

In related developments, Songwon has announced several new distribution partnerships to boost penetration of the European and North American markets. It has signed an exclusive agreement with Biesterfeld France concerning the distribution of its polymer stabilizers range in France. It has also expanded its partnership with Bodo Moller Chemie in Europe, signing two further exclusive distribution agreements, again covering its comprehensive range of polymer stabilizers. Bodo Moller Chemie Benelux NV is now supplying customers in Belgium, Luxemburg and the Netherlands while Bodo Moller Chemie UK Ltd has taken on this responsibility in the UK and Ireland. Songwon has additionally inked a deal with Bodo Moller Chemie Russia for the distribution of its Songnox brand of fuel and lubricant antioxidant additives in Russia, Belarus and Kazakhstan. Finally, to ensure a reliable supply of its products and provide on-the-spot services for customers in the growing Canadian market, the South Korean company has entered into a partnership with AS Paterson Co Ltd, an established distributor of performance chemicals across the region.

More information: www.songwon.com

**Nabaltec reports ‘modest’ quarterly figures in challenging environment**

For the first quarter of 2020, Germany’s Nabaltec AG earned €45.4 million in revenues, a decline of 6.4% compared to revenues of €48.5 million in the same period last year. The Schwandorf-based company’s operating profit (EBIT) amounted to €2.5 million in the first three months of 2020, less than half of the EBIT figure of €5.8 million garnered in the first quarter of 2019. The EBIT margin was 5.9% (12.1% in 1Q 2019). Quarterly EBITDA reached €6.1 million, down from €9.0 million in 1Q 2019.

Although the results in the first quarter of 2020 ‘lagged behind’ its expectations compared to the same period last year, Nabaltec’s CEO Johannes Heckmann says that the company ‘did very well in terms of revenues’ in light of the fact that the environment has become ‘significantly more challenging and complex’. He reports a certain amount of price pressure on the sales side, while orders from customers ‘have been significantly more volatile and short-term in nature’. In addition, the coronavirus pandemic began to have a noticeable impact on Nabaltec’s business during the first quarter, particularly in Asia, with Southern Europe also affected since March, Heckmann says.

In 1Q 2020, sales of the company’s eco-friendly, aluminium hydroxide-based flame retardant fillers and functional plastics additives generated revenues of €31.7 million for the Functional Fillers product segment, compared to revenues of €32.5 million achieved in the same quarter of last year. Revenues in the Specialty Alumina product segment amounted to €13.7 million, down from €15.9 million in 1Q 2019. The boehmite product range continued to perform well, with e-mobility as the key driver, posting growth of more than 40% over 1Q 2019 despite the fact that a large majority of the sales were generated in Asia,