

Arkema extends deadline to increase share in Jurong's China acrylics

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Arkema has extended a deadline to increase its share in Jurong Chemical's acrylic acid production in China, the French chemicals producer said on Tuesday.

"Arkema and Jurong Chemical announce today that they have concluded an agreement regarding the next steps of their cooperation in acrylics in China," Arkema said in a statement.

"This agreement extends, until January 2016, the period for Arkema to exercise its call option to access a total of 320,000 tonnes/year acrylic acid production capacity."

The exercise of this option was initially expected during the first quarter.

Arkema and Jurong formed a joint venture firm called Sunke in 2014, which comprises the assets of Jurong Chemical's acrylic acid production at Taixing in Jiangsu province.

The first stage of the cooperation was finalised in October last year, giving Arkema access to 160,000 tonnes/year of acrylic acid production for an investment of \$240m. This next phase would give Arkema access to a further 160,000 tonnes/year capacity. Arkema said the financial terms of the initial agreement signed in January 2014 had been adjusted to reflect the extension of the option, while other conditions remain unchanged. The firm's option to acquire the remaining third of the acrylic acid production capacities and fully hold Sunke's share capital remains unchanged and can be exercised until early 2020, it said.

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