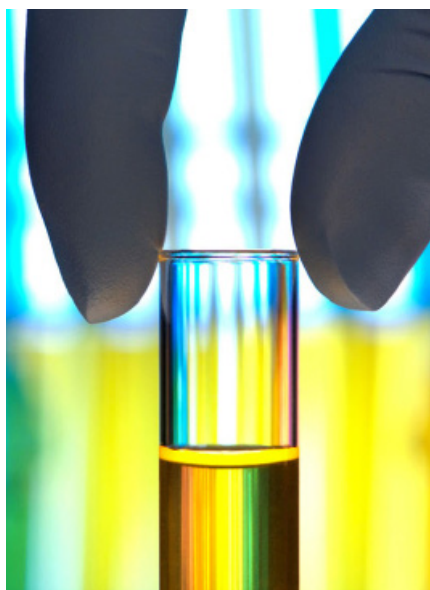


Chemical & Plastics Industry in **SLOVAKIA**



Chemical & Plastics Industry in Slovakia

The purpose of this publication is to present the opportunities for potential investors from the chemical industry in Slovakia. Two of the strongest economic sectors — automotive and electronics industry — build a lot of opportunities also for the suppliers of plastic components. The publication includes facts and figures for both of these sectors and serves as an introduction to the chemical & plastics industry in Slovakia.

TOTAL AREA 49,035 km²

POPULATION 5.4 million

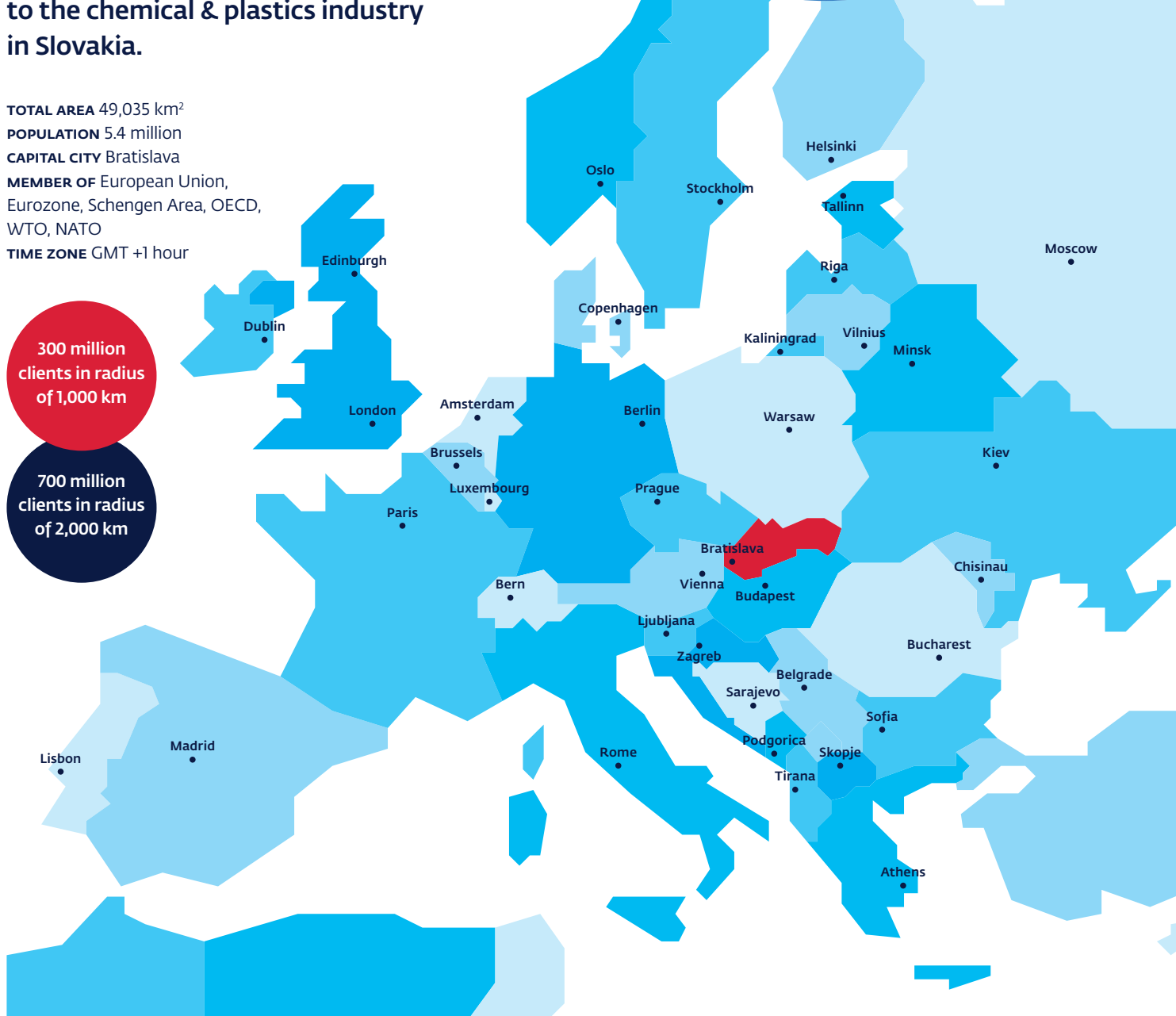
CAPITAL CITY Bratislava

MEMBER OF European Union,
Eurozone, Schengen Area, OECD,
WTO, NATO

TIME ZONE GMT +1 hour

300 million
clients in radius
of 1,000 km

700 million
clients in radius
of 2,000 km



Chemical & Plastics Industry in Slovakia — Key Facts

Slovakia has a strong tradition in all major segments of the chemical industry, including petroleum refining, production of chemicals, fertilizers, rubber and plastics production. The portfolio of products is also influenced by Slovakia's strong automotive and electronics sectors, which serve as constant, high-capacity clients for different companies from the chemical & plastics industry.

10.81
BN €

Revenues of the Slovak chemical industry

41,423

People employed in the Slovak chemical industry

8.74%

Share of the chemical industry output from the total industrial production

2.4 BN €

Added value in the chemical industry

288

Number of manufacturers in chemical industry

*Only companies with more than 20 employees included.

Source: Statistical office of the Slovak republic, Yearbook of Industry of the SR 2022



Top 10 Reasons Why to Invest in Slovakia

1

Highest labour productivity in CEE region

2

Cost-effective & skilled labour force

3

Political & economic stability

4

Strategic location in Europe with great export potential

5

Attractive investment incentives for industry

6

Euro currency as one of the few in CEE

7

Fastest growing Eurozone member within the last 10 years

8

Large selection of industrial land

9

Well-developed infrastructure

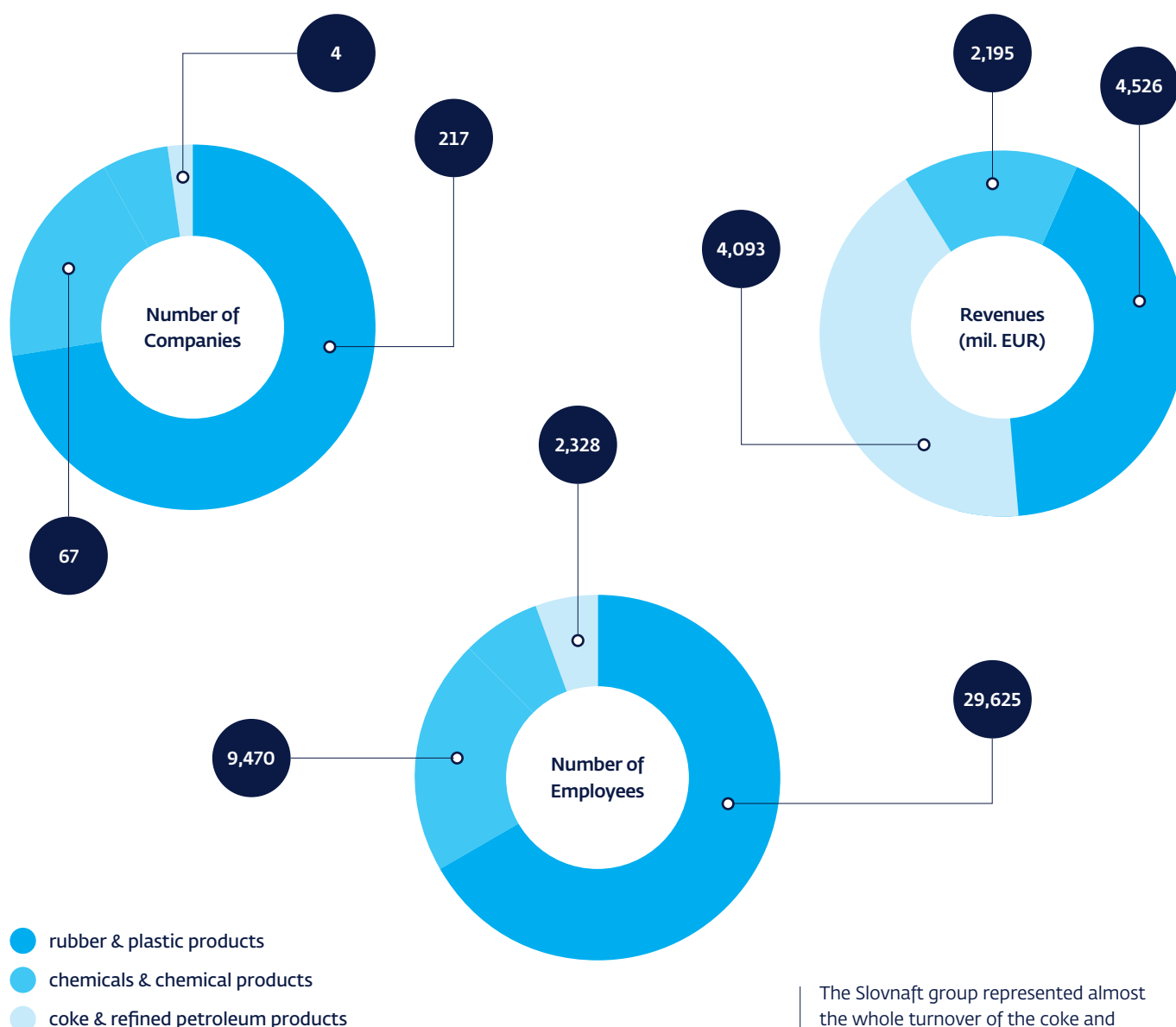
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Strong local production capacities in need of plastic components

Chemical & Plastics Industry in Slovakia — Summary

Unlike in some other countries, the output of the Slovak chemical industry does not consist of one product or a group of few products, but includes a diversified portfolio of hundreds of different products, ranging from petrochemicals, agrochemicals, and primary organic/ inorganic chemicals, to rubber and plastic products.

Chemical industry has traditionally been one of the largest sectors of Slovak economy. In 2021, revenues generated by all companies in this sector amounted to EUR 10.81 billion. At the same time Slovak chemical industry equaled output of 8.74% (EUR 10.34 billion) from the total industrial production (EUR 90.33 billion). The sector employs over 41,000 people in approximately 280 companies.



The Slovnaft group represented almost the whole turnover of the coke and petroleum production in Slovakia, which is the biggest revenue generating sub-sector of the chemical industry.

Source: Statistical office of the Slovak republic, Yearbook of Industry of the SR 2022

Skilled & Cost-Effective Labour Force



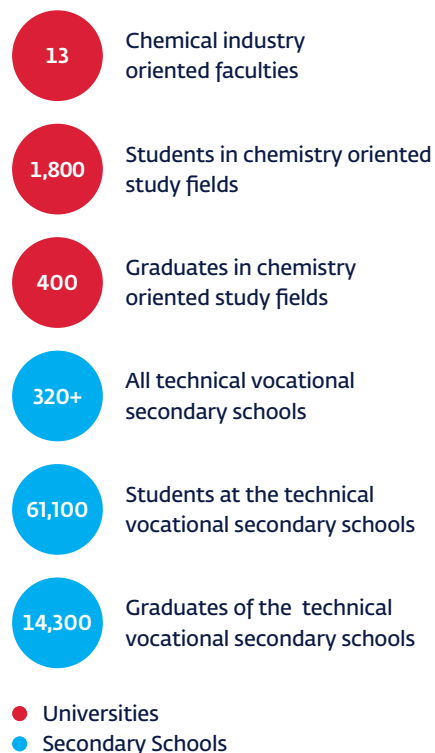
Slovakia is praised as one of the most productive countries in Europe. Combined with cost-effectiveness and high education level, Slovak labour force excels in the three areas that often concern investors — productivity, qualification and labour costs.

170+ vocational schools already established cooperation with more than 1,600 companies around Slovakia

DUAL EDUCATION

The Slovak Government has fully implemented a new dual education framework facilitating combination of theoretical education in schools and practical training in companies. The companies joining the new scheme have the advantage of not only benefiting from a prepared and qualified labor force, but also from the possibility to utilize a related tax relief and other financial benefits.

Chemical & Plastics Related Education in Slovakia



AVERAGE GROSS MONTHLY SALARY (IN EUR)

| POSITION | | BRATISLAVA | TRNAVA | NITRA | TRENČÍN | ŽILINA | BANSKÁ BYSTRICA | KOŠICE | PREŠOV |
|--------------------------|------|------------|--------|-------|---------|--------|-----------------|--------|--------|
| Production Operative | Min. | 950 | 950 | 950 | 1,000 | 1,000 | 950 | 950 | 850 |
| | Max. | 1,350 | 1,350 | 1,350 | 1,400 | 1,400 | 1,350 | 1,200 | 1,150 |
| Injection Molding Setter | Min. | 1,800 | 1,800 | 1,800 | 1,600 | 1,600 | 1,800 | 1,100 | 1,000 |
| | Max. | 2,000 | 2,000 | 2,000 | 2,100 | 2,100 | 2,000 | 1,500 | 1,300 |
| Quality Technician | Min. | 1,400 | 1,300 | 1,500 | 1,300 | 1,300 | 1,500 | 1,350 | 1,250 |
| | Max. | 1,800 | 1,700 | 1,700 | 1,600 | 1,600 | 1,700 | 1,600 | 1,500 |
| Production Supervisor | Min. | 1,600 | 1,500 | 1,600 | 1,500 | 1,500 | 1,600 | 1,400 | 1,300 |
| | Max. | 2,000 | 1,800 | 2,000 | 1,800 | 1,800 | 2,000 | 1,800 | 1,500 |
| Chemical Engineer | Min. | 1,500 | 1,400 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| | Max. | 2,000 | 1,900 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |

Source: Institute of Education Information & Prognosis of Slovakia for the Academic Year 2022/2023; Faculty of chemical and food technology STU 2020; Grafton Slovakia, 2023

Examples of Companies from the Slovak Chemical Industry



Slovnaft

3rd biggest company by turnover and the only oil refinery in Slovakia. It also houses an R&D center employing more than 100 engineers.
Revenue: 6,018 mil. EUR
Employees: 2,224

Duslo

Fertilizer producer with European significance and global rubber chemical supplier. The company also produces polyvinyl acetate and poly acrylic glues, dispersions and various other special products.
Revenue: 1,022 mil. EUR
Employees: 1,950



Continental

Building up on Matador's tyre production history, Continental operates a truck and personal vehicle tyre production facilities in Puchov, with a 150 FTE R&D center.
Revenue: 1,350 mil. EUR (passenger cars tires),
764 mil. EUR (truck tires)
Employees: 3,130 (passenger cars tires), 1,695 (truck tires)

Haleon Levice

The company, as a part of GlaxoSmithKline, has set up a high capacity production of consumer cosmetic products in Levice.
Revenue: 187 mil. EUR
Employees: 546



Chemosvit Folie

The company with a very broad portfolio of chemical products. One of the biggest employers in Eastern Slovakia.
Revenue: 106 mil. EUR
Employees: 733

Chemical Industry Supporting Platform



THE ASSOCIATION OF CHEMICAL & PHARMACEUTICAL INDUSTRY OF THE SLOVAK REPUBLIC (ZCHFP SR)

- headquarters in Bratislava
- established 1991
- merges 65 companies in the fields of chemical and pharmaceutical industry
- members employ 16,000+ people

ZCHFP activities include:

- supporting research projects in Slovakia by networking companies with technical universities and help to enhance a mutual cooperation between the members
- defending of business and entrepreneurial interests of the chemical and pharmaceutical industries, in dialogue with the Parliament and the Government, with trade unions
- influencing of the legislative process

Slovak Academy of Science



INSTITUTE OF CHEMISTRY

Research activities are focused on:

- Structure and functional properties of polysaccharides, their derivatives, and conjugates with other polymers
- Establishment of a Pan-European network on the sustainable valorisation of lignin (LignoCOST)
- Analysis of glycan markers by innovative methods based on biochips & biosensors using nano technologies and many more

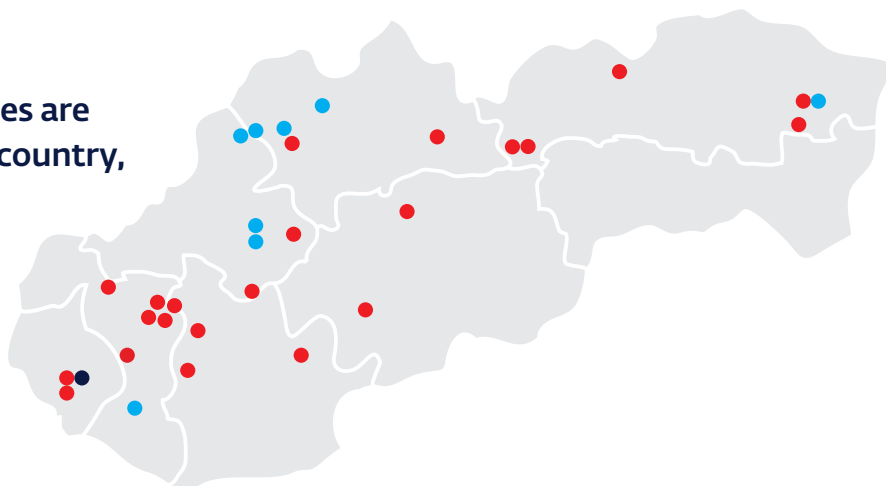
Source: SARIO, Fostat 2023 (data for 2022)

The Biggest Players of the Slovak Chemical Industry

(based on revenues)

The biggest chemical companies are present in every region of our country, with a higher concentration in the Western Slovakia.

- Coke & refined petroleum
- Rubber & plastic products
- Chemicals & chemical products



| COMPANY | LOCATION | SEGMENT | PRODUCT | REVENUE 2022 (THS. EUR) | AVERAGE NUMBER OF EMPLOYEES |
|--------------------------------------|-------------------|---------------------------------|---|-------------------------|-----------------------------|
| Slovnaft | Bratislava | coke & refined petroleum | motor fuels, fuel oils, petrochemical products | 6,018,158 | 2,184 |
| Continental Matador Rubber | Púchov | rubber & plastic | passenger car tires | 1,038,904 | 3,130 |
| Duslo | Šaľa | chemicals & chemical products | fertilizers | 1,021,559 | 1,950 |
| Continental Matador Truck Tires | Púchov | rubber & plastic | truck tires | 763,967 | 1,694 |
| ENVIRAL | Leopoldov | chemicals & chemical products | bioethanol | 262,539 | 229 |
| MEROCO | Leopoldov | chemicals & chemical products | bioethanol | 232,274 | 53 |
| Haleon Levice | Levice | perfumery & toilet preparations | personal care products | 186,777 | 546 |
| FORTISCHEM | Nováky | chemicals & chemical products | electrolysis products, PVC products | 168,211 | 734 |
| BASF Slovensko | Bratislava | chemicals & chemical products | chemicals production | 164,703 | 93 |
| ContiTech Vibration Control Slovakia | Dolné Vestenice | rubber & plastic | vibration reduction components | 121,006 | 670 |
| Poľnoservis | Leopoldov | chemicals & chemical products | rapeseed | 115,392 | 31 |
| Nexis Fibers | Humenné | chemicals & chemical products | industrial fibres | 109,994 | 414 |
| CHEMOSVIT FOLIE | Svit | chemicals & chemical products | packaging films | 105,795 | 733 |
| Audia Plastics | Voderady | chemicals & chemical products | synthetic resins | 80,117 | 112 |
| Saneca Pharmaceuticals | Hlohovec | chemicals & chemical products | pharmaceutical substances, forms for medicines, manufacturing of medicines | 73,202 | 852 |
| DIAKOL STRÁŽSKE | Strážske | chemicals & chemical products | glues for industrial production | 72,947 | 34 |
| SaarGummi Slovakia | Dolné Vestenice | rubber & plastic | car window and trunk seals | 68,090 | 832 |
| Terichem Tervakoski | Svit | chemicals & chemical products | packaging films | 65,785 | 252 |
| Dongil Rubber Belt Slovakia | Považská Bystrica | rubber & plastic | car window and trunk seals | 48,602 | 533 |
| GeLiMa | Liptovský Mikuláš | chemicals & chemical products | traditional pig skin, bovine hide or fish gelatine for pharmaceutical, edible or technical applications | 45,529 | 106 |
| Evonik Fermas | Slovenská Ľupča | chemicals & chemical products | aminoacids & other chemical products | 43,181 | 243 |
| Oldratí Slovensko | Humenné | rubber & plastic | rubber seals for household appliances | 32,315 | 317 |
| CHEMOLAK | Smolenice | chemicals & chemical products | decorative and industrial coatings | 28,857 | 211 |
| Polycasa Slovakia | Žilina | rubber & plastic | plexiglass production | 27,857 | 104 |
| FARMOL SLOVAKIA | Levice | chemicals & chemical products | personal care products | 24,005 | 152 |
| BGV | Hniezdne | chemicals & chemical products | essential organic chemicals | 23,361 | 85 |
| Slovenské liehovary a likéry | Leopoldov | chemicals & chemical products | essential organic chemicals | 22,797 | 54 |
| UNI - TECH | Považská Bystrica | chemicals & chemical products | other chemical products | 21,580 | 72 |
| ELASTIK | Šelpice | chemicals & chemical products | antifreeze liquids & thinners | 19,408 | 43 |

The present list of manufacturers of different chemical products is subject to change and it does not represent an exhaustive overview.
Source: Finstat 2023 (data for 2022); webpages of respective companies

Examples of Plastic Components Suppliers

A separate part of the chemical industry handout is attributed to suppliers of the plastic components. Strong base of these companies is important for automotive & electronics industries, which are two of the strongest pillars of the Slovak economy. Additionally, this subcategory of the industry is represented by the highest amount of companies within the Slovak chemical industry.



Seoyon E-Hwa Automotive

Korean Tier1 producer of various automotive plastic and trimmed parts.

Revenue: 254,816,132 EUR

Employees: 539



Magna Slovteca

Canadian interior and exterior automotive plastic parts producer.

Revenue: 152,493,787 EUR

Employees: 677



Jasplastik

Three facilities for production of automotive & television plastic components.

Revenue: 83,203,067 EUR

Employees: 542



Thermoplastik

Slovak Tier 1 supplier, injection moulding plastic component manufacturer for automotive exteriors as well as interiors.

Revenue: 33,112,703 EUR

Employees: 231



Služba Nitra

Vehicle plastic components for electronics, fuse boxes as well as interior and exterior lighting equipment.

Revenue: 20,163,509 EUR

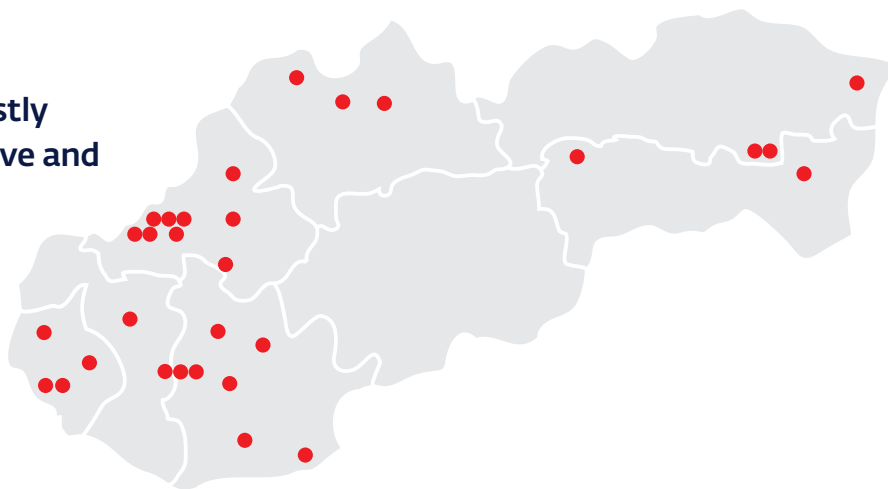
Employees: 191

Source: SARIO, Finstat 2023 (data for 2022)

The Biggest Plastic Component Producers in Slovakia

(based on revenues)

Plastic parts production is mostly connected to Slovak automotive and electronics industries. These suppliers are located all around Slovakia, but with the higher concentration in the Western part of the country.



| COMPANY | LOCATION | REVENUE 2022 (THS. EUR) | AVERAGE NUMBER OF EMPLOYEES |
|---|----------------------|-------------------------|-----------------------------|
| Seoyon E-HWA Automotive Slovakia | Považská Bystrica | 254,816 | 539 |
| Magna Slovteca | Nové Mesto nad Váhom | 152,494 | 644 |
| Plastic Omnium Auto Inergy Slovakia | Lozorno | 130,662 | 280 |
| Partizánske Building Components-SK | Partizánske | 104,564 | 420 |
| Slovaktual | Pravenec | 102,542 | 648 |
| APIS Plastic Slovakia | Dubnica nad Váhom | 88,740 | 466 |
| JASPLASTIK-SK | Matúškovo | 83,203 | 542 |
| JP-AUTO | Matúškovo | 78,090 | 238 |
| Bourbon Automotive Plastics Nitra | Čab | 75,986 | 530 |
| D.P. EKOPLAST | Snina | 62,275 | 50 |
| Messer Tatragas | Bratislava | 61,286 | 140 |
| Bang Joo Electronics Slovakia | Šurany | 59,484 | 123 |
| Franke Slovakia | Strečno | 55,111 | 288 |
| H S F | Malacky | 50,937 | 253 |
| Reutter SK | Myjava | 49,370 | 459 |
| Monarflex | Štúrovo | 49,170 | 141 |
| SLOVECA, Sasol Slovakia | Bratislava | 47,740 | 46 |
| Albéa Slovakia | Bratislava | 44,671 | 216 |
| Nobel Automotive Slovakia | Dolný Kubín | 40,229 | 431 |
| LB Slovakia Plastics | Nitra | 40,040 | 334 |
| SMRC Automotive Solutions Slovakia | Nitra | 39,429 | 299 |
| HBM Pharma | Martin | 37,773 | 372 |
| Nanogate Slovakia | Vráble | 36,185 | 280 |
| Bourbon Automotive Plastics Dolný Kubín | Dolný Kubín | 35,567 | 440 |
| Datamars Slovakia | Nitra | 35,215 | 152 |
| PRIMA POPRAD | Poprad - Matejovce | 35,027 | 192 |
| VEGUM | Dolné Vestenice | 34,213 | 612 |
| RPC Bramlage Veľký Meder | Veľký Meder | 33,891 | 342 |
| THERMOPLASTIK | Poriadie | 33,113 | 241 |
| CIKAUTXO SK | Nové Zámky | 32,828 | 309 |
| OLDRATI SLOVENSKO | Humenné | 32,315 | 317 |
| Fenesra SK | Zlaté Moravce | 29,589 | 163 |

The present list of manufacturers of different chemical products is subject to change and it does not represent an exhaustive overview. Source: Finstat 2023 (data for 2022); webpages of the respective companies

Investment Incentives

The primary goal of the investment incentives is to motivate investors to place their new projects in regions with higher unemployment and to attract projects with higher added value.

MAXIMUM REGIONAL INTENSITIES OF INVESTMENT INCENTIVES IN SLOVAKIA

- additional 10% for medium-sized enterprises
- additional 20% for small and micro-sized enterprises

INDUSTRIAL PRODUCTION

Minimum conditions (investment amount, number of newly created jobs and share of new technology) are subject to the unemployment rate in the selected district and forms of aid required.

If applying for income tax relief, the following criteria have to be met in regards to particular districts category:

- 3 mil. EUR and 60% share of new technology
- 1.5 mil. EUR and 50% share of new technology
- 0.75 mil. EUR and 40% share of new technology
- 0.1 mil. EUR and 30% share of new technology
- Expansion includes a minimum increase in the production volume or turnover by at least 15%

Direct forms of aid are also available, different conditions apply.

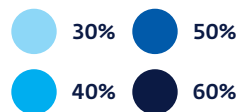
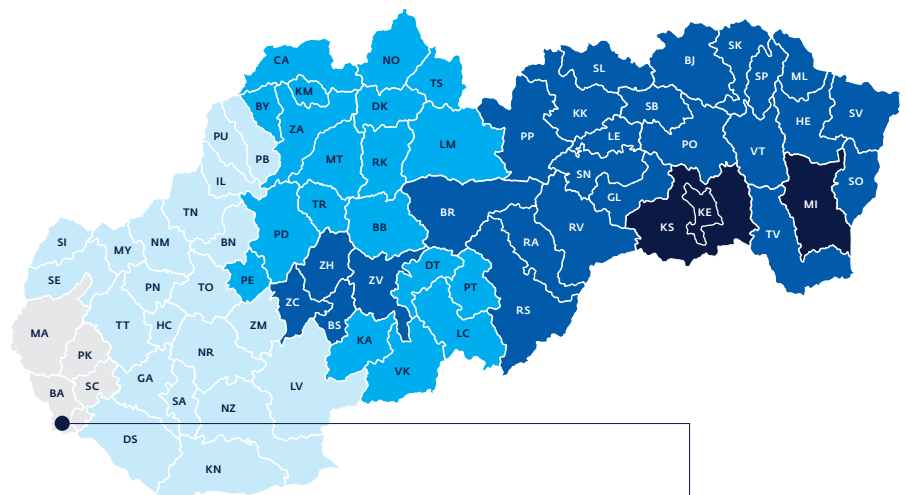
TECHNOLOGY CENTRES

- Minimum investment of 50 ths. EUR on fixed assets in all regions
- Minimum of 5 newly created jobs
- Minimum 1.7 fold of average salary in the district paid to new employees

SHARED SERVICES CENTRES

- Minimum of 10 newly created jobs
- Min 1.5 fold of average salary in the district paid to new employees

Minimum conditions for SMEs are in principle lowered by half. Please contact us at invest@sario.sk for more information.



Districts in Bratislava region are excluded from the investment aid scheme

ELIGIBLE PROJECTS

The Act on Investment Incentives divides the projects, which may be supported, into four categories:

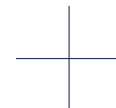
- Industrial production
- Technology Centers
- Combined Projects of Industrial Production and Technology Center
- Shared Services Centers

ELIGIBLE COSTS

- Costs of land acquisition
 - Costs of buildings acquisition & construction
 - Costs of new technological equipment and machinery acquisition
 - Intangible long-term assets — licences, patents, etc.
 - Rent of new land/building
- or**
- Total wage costs of all new employees calculated over a period of 2 years

FORMS OF INVESTMENT INCENTIVES

- Corporate income tax relief
- Cash grant
- Contributions for the newly created jobs
- Rent/Sale of real estate for a discounted price



Positive regional contribution of a new investment projects shall be concluded based on these categories — investment location, number of jobs created, average gross monthly salary of new employees, expected added value and possible qualification of a project respecting definition of a priority area.





AIM INVESTMENT AWARDS DUBAI 2022

CEE & TURKEY REGION
Best Investment Promotion
Agency in 2022



SARIO Profile

Slovak Investment and Trade Development Agency (SARIO) is a governmental investment and trade promotion agency of the Slovak Republic. The agency was established in 2001 and it operates under the Ministry of Economy of the Slovak Republic.

01 INVESTMENT SERVICES

FOR POTENTIAL INVESTORS

- investment environment overview
- assistance with investment projects implementation
- starting a business consultancy
- sector and regional analyses
- investment incentives consultancy
- site location & suitable real estate consultancy

FOR ESTABLISHED INVESTORS

- identification of local suppliers, service providers
- assistance with expansion preparation and execution
- assistance with Industry 4.0 solutions and R&D implementation

02 FOREIGN TRADE SERVICES

IF YOU ARE LOOKING FOR

- Slovak supplier or sub-contractor
- information about Slovak export/trade environment
- sourcing opportunities
- forming a joint venture, production cooperation or other forms of partnership with a Slovak partner

SERVICES FOR EXPORTERS

- information on foreign territories
- customized search for foreign partners
- online database of business opportunities
- export Training Centre
- subcontracting assistance

03 INNOVATION SOURCING

- matching local tech companies with the operations of large companies that plan to implement innovative solutions to streamline and optimize their processes
- focused mostly on Industry 4.0 solutions such as digitalization, intelligent automation, and robotics as well as advanced and complex IT solutions for various industries
- based on a database of more than 300 local tech companies which is constantly updated and expanded

04 SLOVAK SPACE OFFICE

FOR SLOVAK ENTITIES

- tailor-made sector entry consultancy
- startup creation through hackathons and incubation programs
- cooperation opportunities through matchmaking events
- internationalization of the Slovak space companies and research institutions

FOR FOREIGN PARTNERS

- customized search for local partners
- assistance with establishing branch in Slovakia
- cooperation on space industry events

**SARIO IS YOUR ONE STOP SHOP FOR INVESTMENT & TRADE IN SLOVAKIA.
TALK TO US TODAY!**

SARIO | Slovak Investment and Trade Development Agency

Mlynské nivy 44/b | 821 09 Bratislava | Slovakia

 GPS +48°08'39.8", +17°08'24.2"

invest@sario.sk | trade@sario.sk | www.sario.sk

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