Food Processing Industry in SLOVAKIA
Food Processing Industry in Slovakia

The purpose of this publication is to present the opportunities that Slovakia has to offer to potential investors from the food processing industry. It includes facts and figures for all major subcategories of this industrial segment and serves as an introduction to why Slovakia should be a preferred location for your food processing business.

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 the radius of 1,000 km
600 million clients in the radius of 2,000 km

www.sario.sk
Key Figures of Slovak Food Processing Industry

In former Czechoslovakia, a self-sufficient food producing country, Slovakia served as an agricultural and food processing powerhouse. It was caused by a strong local agricultural sector. This offers a lot of potential, as some of these opportunities still remain undiscovered.

Top 10 Reasons Why to Invest in Slovakia

1. Strategic location in Europe with great export potential
2. Political & economic stability
3. Euro currency as one of the few in CEE
4. The highest labour productivity in the CEE region
5. Cost-effective, skilled & loyal labour force — average salary in the food processing industry is 94.5% of the national average
6. Strong local agricultural sector and supplier network
7. Steadily growing R&D potential of the Slovak food processing industry and academia
8. Attractive investment incentives for industry, including food-processing
9. Large selection of industrial land
10. Well-developed transport and utilities infrastructure

Total revenues of the Slovak food processing industry
4.5 BN €

Revenues of the biggest food processing segment — meat & poultry processing
801 MIL €

Total number of people employed in food the processing companies
50,800

Total number of people employed in the largest food processing segment in terms of employment — bakery (and related activities)
10,000

Average gross monthly salary in the food processing industry — 94.5% of the national average as of 2019
957 €

Companies in the Slovak food processing industry
3,200

Source: Ministry of Agriculture and Rural Development of the Slovak Republic, Green Report 2019 (data for 2018), Finstat 2020
### List of Top 50 Food Processing Companies in Slovakia (by revenue)

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>LOCATION</th>
<th>SEGMENT</th>
<th>REVENUE 2019 (THS. EUR)</th>
<th>NUMBER OF EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nestlé Slovensko</td>
<td>Prievidza</td>
<td>other</td>
<td>185,311</td>
<td>704</td>
</tr>
<tr>
<td>Rajko</td>
<td>Bratislava</td>
<td>dairy</td>
<td>180,207</td>
<td>428</td>
</tr>
<tr>
<td>Mecom Group</td>
<td>Humenné</td>
<td>meat</td>
<td>143,521</td>
<td>1,176</td>
</tr>
<tr>
<td>Heineken Slovensko</td>
<td>Hurbanovo</td>
<td>brewing</td>
<td>127,407</td>
<td>481</td>
</tr>
<tr>
<td>Pilsenšky Praždroj Slovensko</td>
<td>Veľký Šariš</td>
<td>brewing</td>
<td>126,734</td>
<td>563</td>
</tr>
<tr>
<td>I.D.C. Holding</td>
<td>Bratislava</td>
<td>confectionary</td>
<td>120,984</td>
<td>1,077</td>
</tr>
<tr>
<td>Tate &amp; Lyle Boleráz</td>
<td>Boleráz</td>
<td>starch/sugar</td>
<td>110,553</td>
<td>226</td>
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<tr>
<td>Taxis</td>
<td>Rimavská Sobota</td>
<td>meat</td>
<td>101,011</td>
<td>832</td>
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<td>Polnoservis</td>
<td>Leopoldov</td>
<td>other</td>
<td>92,947</td>
<td>34</td>
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<tr>
<td>Hyza</td>
<td>Topoľčany</td>
<td>poultry</td>
<td>92,537</td>
<td>859</td>
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<tr>
<td>Sráreň Bel Slovensko</td>
<td>Michalovce</td>
<td>dairy</td>
<td>91,329</td>
<td>504</td>
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<td>Cieotex Slovensko</td>
<td>Levíčce</td>
<td>confectionery</td>
<td>84,328</td>
<td>720</td>
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<tr>
<td>Tatranská mliekeň</td>
<td>Kežmarok</td>
<td>dairy</td>
<td>83,604</td>
<td>284</td>
</tr>
<tr>
<td>Kofola</td>
<td>Rajec' Lestná</td>
<td>soft drinks</td>
<td>82,362</td>
<td>326</td>
</tr>
<tr>
<td>EU Poultry</td>
<td>Horné Saliby</td>
<td>poultry</td>
<td>76,675</td>
<td>63</td>
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<tr>
<td>Agro Tamí</td>
<td>Nitra</td>
<td>dairy</td>
<td>74,928</td>
<td>268</td>
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<tr>
<td>Ryba Žíľa</td>
<td>Žilina</td>
<td>meat</td>
<td>65,207</td>
<td>92</td>
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<tr>
<td>Savencia Fromage &amp; Dairy SK</td>
<td>Liptovský Mikuláš</td>
<td>dairy</td>
<td>59,823</td>
<td>298</td>
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<tr>
<td>Penam Slovensko</td>
<td>Nitra</td>
<td>baking</td>
<td>56,518</td>
<td>752</td>
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<tr>
<td>Slovenské cukrovany</td>
<td>Sereď</td>
<td>sugar</td>
<td>48,437</td>
<td>168</td>
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<td>Heineken Slovensko Sladovne</td>
<td>Hurbanovo</td>
<td>brewing</td>
<td>41,076</td>
<td>46</td>
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<tr>
<td>JAV – AKC</td>
<td>Víľany</td>
<td>other</td>
<td>39,469</td>
<td>250</td>
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<td>Budíš</td>
<td>Budíš</td>
<td>soft drinks</td>
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<td>240</td>
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<td>Istermeat</td>
<td>Dunajská Streda</td>
<td>meat</td>
<td>38,792</td>
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<tr>
<td>Nourus – Máso</td>
<td>Tešedlovo</td>
<td>meat</td>
<td>35,137</td>
<td>72</td>
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<td>Dan – Slovakia Agrar</td>
<td>Veľký Meder</td>
<td>meat</td>
<td>35,009</td>
<td>136</td>
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<tr>
<td>Agromačaj</td>
<td>Kráľová pri Seni</td>
<td>other</td>
<td>33,894</td>
<td>127</td>
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<tr>
<td>Milty</td>
<td>Bánovce n. Blébravou</td>
<td>dairy</td>
<td>32,283</td>
<td>264</td>
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<tr>
<td>Ryba Košice</td>
<td>Košice</td>
<td>meat</td>
<td>32,184</td>
<td>218</td>
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<tr>
<td>Mlyn Pohromský Rusík</td>
<td>Pohromský Rusík</td>
<td>other</td>
<td>31,819</td>
<td>135</td>
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<tr>
<td>Podlitranská hydina</td>
<td>Kežmarok</td>
<td>poultry</td>
<td>31,705</td>
<td>331</td>
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<tr>
<td>St. Nicolas</td>
<td>Liptovský Mikuláš</td>
<td>distilling</td>
<td>30,890</td>
<td>133</td>
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<td>Zvolenská mliekeň</td>
<td>Zvolen</td>
<td>dairy</td>
<td>30,499</td>
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<tr>
<td>Kolica</td>
<td>Hriňová</td>
<td>dairy</td>
<td>30,127</td>
<td>112</td>
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<tr>
<td>Mlyn Kolárovo</td>
<td>Kolárovo</td>
<td>other</td>
<td>29,618</td>
<td>69</td>
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<tr>
<td>Mondelez SR Production</td>
<td>Bratislava</td>
<td>confectionery</td>
<td>29,431</td>
<td>460</td>
</tr>
<tr>
<td>P.G. Trade</td>
<td>Komárno</td>
<td>other</td>
<td>28,217</td>
<td>132</td>
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<tr>
<td>Hubert J.E.</td>
<td>Sereď</td>
<td>wine</td>
<td>27,412</td>
<td>95</td>
</tr>
<tr>
<td>Baljarne obchodní</td>
<td>Poprad</td>
<td>other</td>
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<td>216</td>
</tr>
<tr>
<td>Másopoma</td>
<td>Zvolen</td>
<td>meat</td>
<td>26,228</td>
<td>208</td>
</tr>
<tr>
<td>Dr. Detkovi</td>
<td>Bratislava</td>
<td>starch/sugar</td>
<td>25,204</td>
<td>107</td>
</tr>
<tr>
<td>Miniat Slovensko</td>
<td>Dunajská Streda</td>
<td>baking</td>
<td>24,747</td>
<td>275</td>
</tr>
<tr>
<td>Lycos – Trnávské sladovne</td>
<td>Trnava</td>
<td>brewing</td>
<td>23,708</td>
<td>42</td>
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<tr>
<td>Frost</td>
<td>Prešov</td>
<td>other</td>
<td>22,812</td>
<td>207</td>
</tr>
<tr>
<td>Gamota J.R.</td>
<td>Bratislava</td>
<td>other</td>
<td>22,061</td>
<td>14</td>
</tr>
<tr>
<td>Lycos – Trnava Malt House</td>
<td>Trnava</td>
<td>brewing</td>
<td>20,299</td>
<td>8</td>
</tr>
<tr>
<td>Vinárske závody Topoľčianky</td>
<td>Topoľčianky</td>
<td>wine</td>
<td>19,857</td>
<td>136</td>
</tr>
<tr>
<td>Levické mliekeň</td>
<td>Levica</td>
<td>dairy</td>
<td>19,663</td>
<td>170</td>
</tr>
<tr>
<td>Pigagro</td>
<td>Špišský Sokolec</td>
<td>meat</td>
<td>18,555</td>
<td>71</td>
</tr>
<tr>
<td>Globaltrading Slovakia</td>
<td>Rožhanovce</td>
<td>meat</td>
<td>18,462</td>
<td>55</td>
</tr>
</tbody>
</table>

The present list of companies is subject to change and does not represent an exhaustive overview.

Source: FInstat, 2020 (data as of 2019), official websites of the companies, 2020

Note: Other means seasoning, ready-meals, flour, etc.

*Data for 2018

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### Notable Slovak Companies

**I.D.C. Holding**

The biggest Slovak entity in the food processing sector. It covers mainly confectionary & biscuit products, selling annually 38,000 tons of products

**ST. NICOLAUS**

Slovak leader in spirits industry with dozens of products (mostly vodka), which are exported to the whole world

**KARLOFF**

A family-owned company – one of the most valuable premium alcohol producers in Slovakia

**TATRAKON**

Major canning industry player producing, among other things, the best-selling spaghetti sauce in Slovakia for 20 years
Top Players of the Slovak Food Processing Industry

**Nestlé**
The company has taken over an existing Slovak brand and set up a high-capacity production of bouillon cubes, dehydrated soups, and flavoring food mixtures.
Revenue: 185 mil. EUR
Employees: 704

**Rajo**
One of the biggest companies in the Slovak dairy industry. Part of the Meggle AG Group.
Revenue: 180 mil. EUR
Employees: 428

**Heineken Slovensko**
A leader in the Slovak beer market for almost 20 years with a stable market share of approximately 42%.
Revenue: 169 mil. EUR
Employees: 527

**Tate & Lyle**
Food ingredients company. In Slovakia, the company produces glucose syrups, isoglucose and other ingredients produced from corn processing.
Revenue: 111 mil. EUR
Employees: 226

**Hyza**
A modern meat processing company with a daily processing capacity of 100,000 chickens. Part of the Agrofert Group.
Revenue: 93 mil. EUR
Employees: 859

Source: Official websites of the companies, Finstat 2020 (data as of 2019)
*Note: counted for Heineken Slovensko & Heineken Slovensko Sladovne
Food processing continues to be an integral part of the Slovak economy and contributes more than 4.1% to the entire industry (including beverages). There are more than 3,200 food processing companies divided into various segments based on the main ingredient being processed (see the map below).
Bakery & confectionary industry
Brewing industry
Dairy industry
Meat/poultry industry
Other (seasoning, ready-meals, flours, etc.)
Soft drinks industry
Sugar industry
Wine & spirits industry
Other (seasoning, ready-meals, flours, etc.)

Source: Statistical Office of the Slovak Republic; Finstat, 2020
Our Cost-Effective & Skilled Labour Force

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

AVERAGE REGIONAL GROSS MONTHLY SALARY (IN EUR)

<table>
<thead>
<tr>
<th>INDUSTRY</th>
<th>POSITION</th>
<th>BRATISLAVA</th>
<th>WEST</th>
<th>CENTRAL</th>
<th>EAST</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAIRY</td>
<td>Assistant Workers</td>
<td>950</td>
<td>900</td>
<td>850</td>
<td>850</td>
</tr>
<tr>
<td></td>
<td>Machine Operators</td>
<td>1,100</td>
<td>1,000</td>
<td>950</td>
<td>950</td>
</tr>
<tr>
<td></td>
<td>Technologists</td>
<td>1,400</td>
<td>1,200</td>
<td>1,150</td>
<td>1,150</td>
</tr>
<tr>
<td></td>
<td>Production Supervisor</td>
<td>1,500</td>
<td>1,400</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>MEAT</td>
<td>Assistant Workers</td>
<td>950</td>
<td>900</td>
<td>850</td>
<td>850</td>
</tr>
<tr>
<td></td>
<td>Machine Operators</td>
<td>1,100</td>
<td>1,000</td>
<td>950</td>
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</tr>
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<td></td>
<td>Technologists</td>
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<td>1,200</td>
<td>1,150</td>
<td>1,150</td>
</tr>
<tr>
<td></td>
<td>Production Supervisor</td>
<td>1,500</td>
<td>1,400</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>BAKING</td>
<td>Assistant Workers</td>
<td>950</td>
<td>900</td>
<td>850</td>
<td>850</td>
</tr>
<tr>
<td></td>
<td>Machine Operators</td>
<td>1,100</td>
<td>1,000</td>
<td>950</td>
<td>950</td>
</tr>
<tr>
<td></td>
<td>Technologists</td>
<td>1,400</td>
<td>1,200</td>
<td>1,150</td>
<td>1,150</td>
</tr>
<tr>
<td></td>
<td>Production Supervisor</td>
<td>1,500</td>
<td>1,400</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>DRINKS &amp; BEVERAGES</td>
<td>Assistant Workers</td>
<td>950</td>
<td>900</td>
<td>850</td>
<td>850</td>
</tr>
<tr>
<td></td>
<td>Machine Operators</td>
<td>1,100</td>
<td>1,000</td>
<td>950</td>
<td>950</td>
</tr>
<tr>
<td></td>
<td>Technologists</td>
<td>1,400</td>
<td>1,200</td>
<td>1,150</td>
<td>1,150</td>
</tr>
<tr>
<td></td>
<td>Production Supervisor</td>
<td>1,500</td>
<td>1,400</td>
<td>1,200</td>
<td>1,200</td>
</tr>
</tbody>
</table>

Note: Meat industry includes poultry processing, canning and fat processing. Baking industry includes milling, sugar and confectionary production. Drinks & beverages category involves distilled spirits production, wine production, brewing & soft drinks production. Employer’s contributions (35,2%) are not included. Source: Lugera Slovakia, 2020

7 technical universities
7 food production oriented faculties
7,181 university students in food production fields
2,479 university graduates in food production fields
130+ vocational secondary schools related to food processing
10,092 students in food production fields
2,599 graduates in food production fields
Food Production Technology, Innovation and R&D in Slovakia

Given its level of automation, the modern food processing industry requires both strong research orientation as well as affiliation towards natural sciences.

R&D Pioneers in the Food Processing Sector

The AgroBioTech Research Centre (ABT RC)
Established by the Slovak University of Agriculture in 2015, this specialized facility performs concentrated innovative research in the relevant fields aimed at conducting new methods and procedures in applied research, with the express goal of transferring its results into practice. ABT RC’s research is consistent with the core needs of the priorities of agrobiology, the processing technology of agricultural products and the agri–food industry, biotechnology, genetic technologies, agroecology, bioenergetics, and bioeconomy.

Faculty of Chemical & Food Technology at The Slovak University of Technology in Bratislava (FCFT)
FCFT is one of the best performing faculties in Slovakia. The Faculty participates in applied research for industry and develops almost 100 cooperation projects with many producers and companies. What allows for a swift application of research results to production in the fields such as biologically active substances, functional materials and material technologies, or functional and safe foods.

The National Agricultural & Food Centre
The National Agricultural & Food Centre focuses on comprehensive research in the fields of the protection of natural resources, especially soil and water resources for crop production and animal husbandry, quality, safety, innovation and competitiveness of food and non-food products of agricultural origin.

Source: Faculty of Chemical & Food Technology STU in Bratislava; Slovak University of Agriculture in Nitra; NAFC Annual Activity Report 2019, 2020

Food Processing Equipment Manufacturers Based in Slovakia

MAREL
Marel is the leading global provider of advanced processing systems and services to the poultry, meat and fish industries.

PSS SVIDNÍK
Notable Slovak player in the field of meat processing machines, brewery equipment, custom manufacturing as well as pressure and non–pressure vessels.

LEKOS
Family company that designs and manufactures special machines and equipment for food industry, focusing especially on confectionery and baked goods.
Investment Incentives

MAXIMUM REGIONAL INTENSITIES OF INVESTMENT INCENTIVES IN SLOVAKIA

- additional 10% for medium-sized enterprises
- additional 20% for small and micro-sized enterprises
- additional 10% for investment projects carried out in regions included in Just Transition Plan

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 minimum increase in the production volume or turnover by at least 15%

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

TECHNOLOGY CENTERS
- Minimum investment of 100 ths. EUR on fixed assets in all regions
- Minimum of 10 newly created jobs
- Minimum 1.7 fold of average salary in the district paid to new employees

SHARED SERVICES CENTERS
- Minimum of 25 newly created jobs
- Min 1.5 fold of average salary in the district paid to new employees

*In case of Technology centers of Shared Services Centers, conditions differ for projects from ‘Priority areas’. Minimum conditions for SMEs are in principle lowered by half. Please contact us at invest@sario.sk for more information.

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
- 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

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.
SARIO Profile

Slovak Investment & 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 Slovak Ministry of Economy.

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
- on-line 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 DIVERSIFICATION SERVICES

• supporting diversification of Slovak companies towards high-tech areas with significant growth potential
• focus on, but not limited to: space industry, aviation industry, greentech, medtech, and innovative mobility
• include consultancy for companies regarding the potential and possibilities of entering the new sectors as well as creation of new business and R&D cooperation opportunities on the national and international level