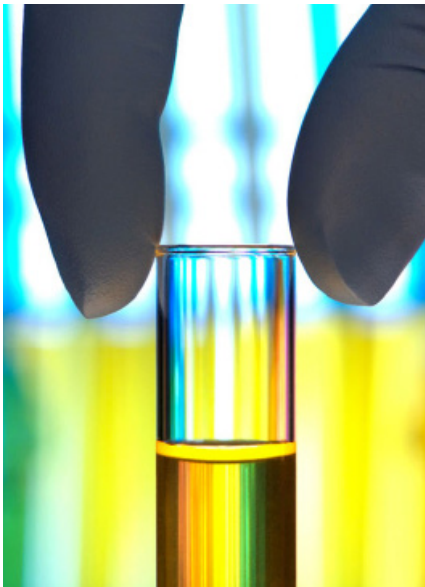


Chemical & Plastics Industry in SLOVAKIA



Chemical & Plastics Industry in Slovakia

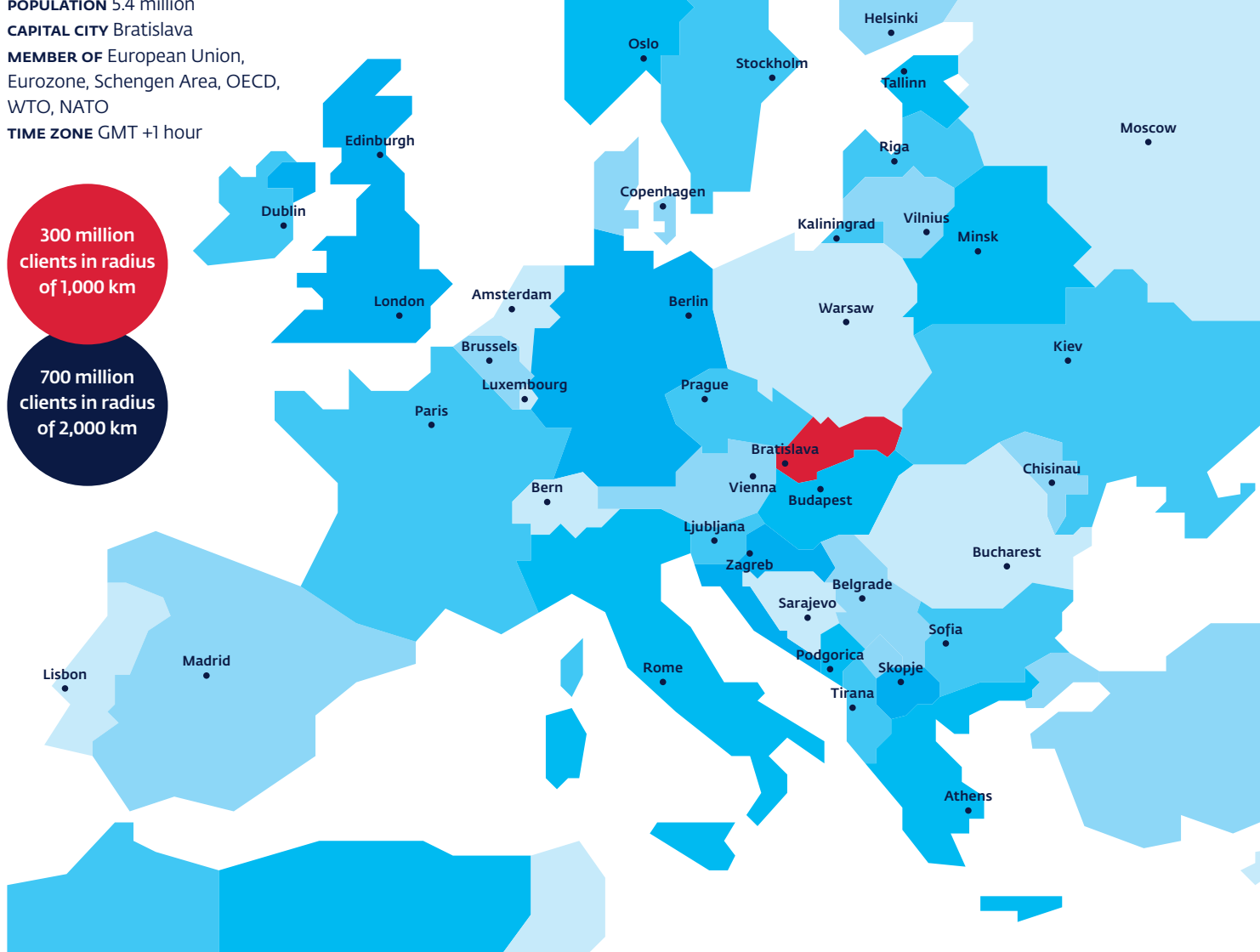
The purpose of this publication is to present the opportunities for potential investors from the chemical industry in Slovakia. Two of the strongest economic sectors – automotive and electronics industry – build a lot of opportunities also for the suppliers of plastic components. The publication includes 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

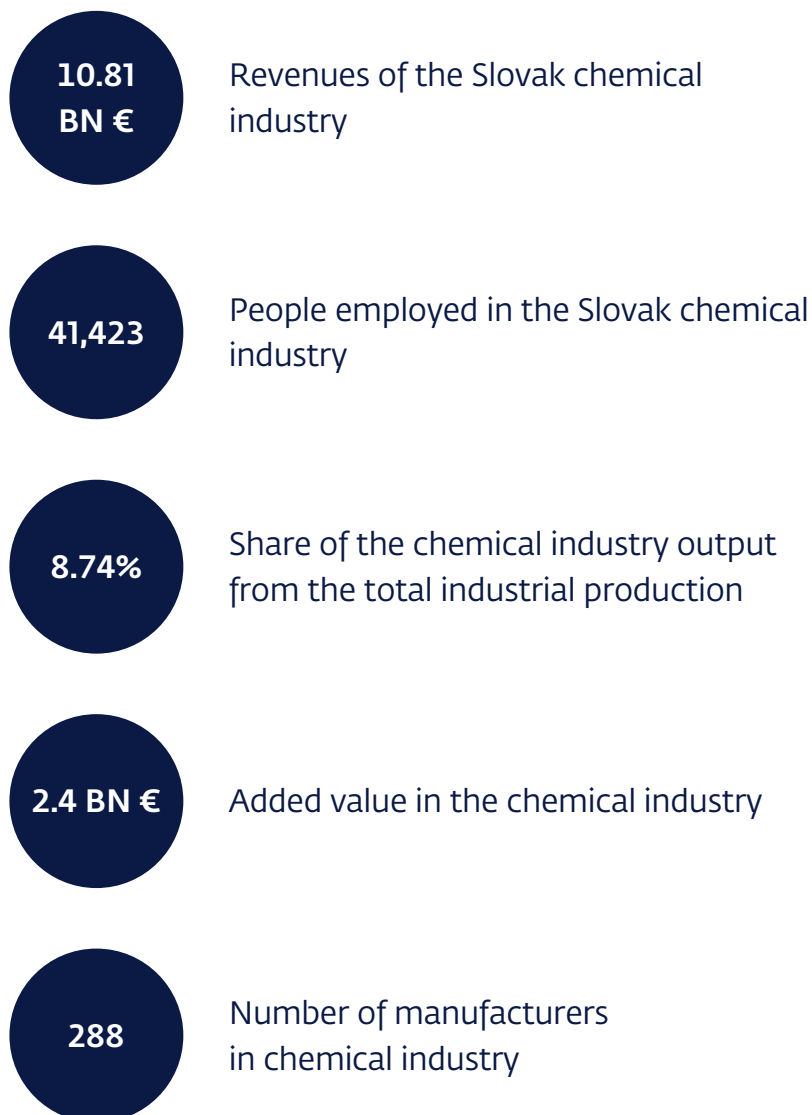
300 million
clients in radius
of 1,000 km

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.



*Only companies with more than 20 employees included.
Source: Statistical office of the Slovak republic, Yearbook of Industry of the SR 2022



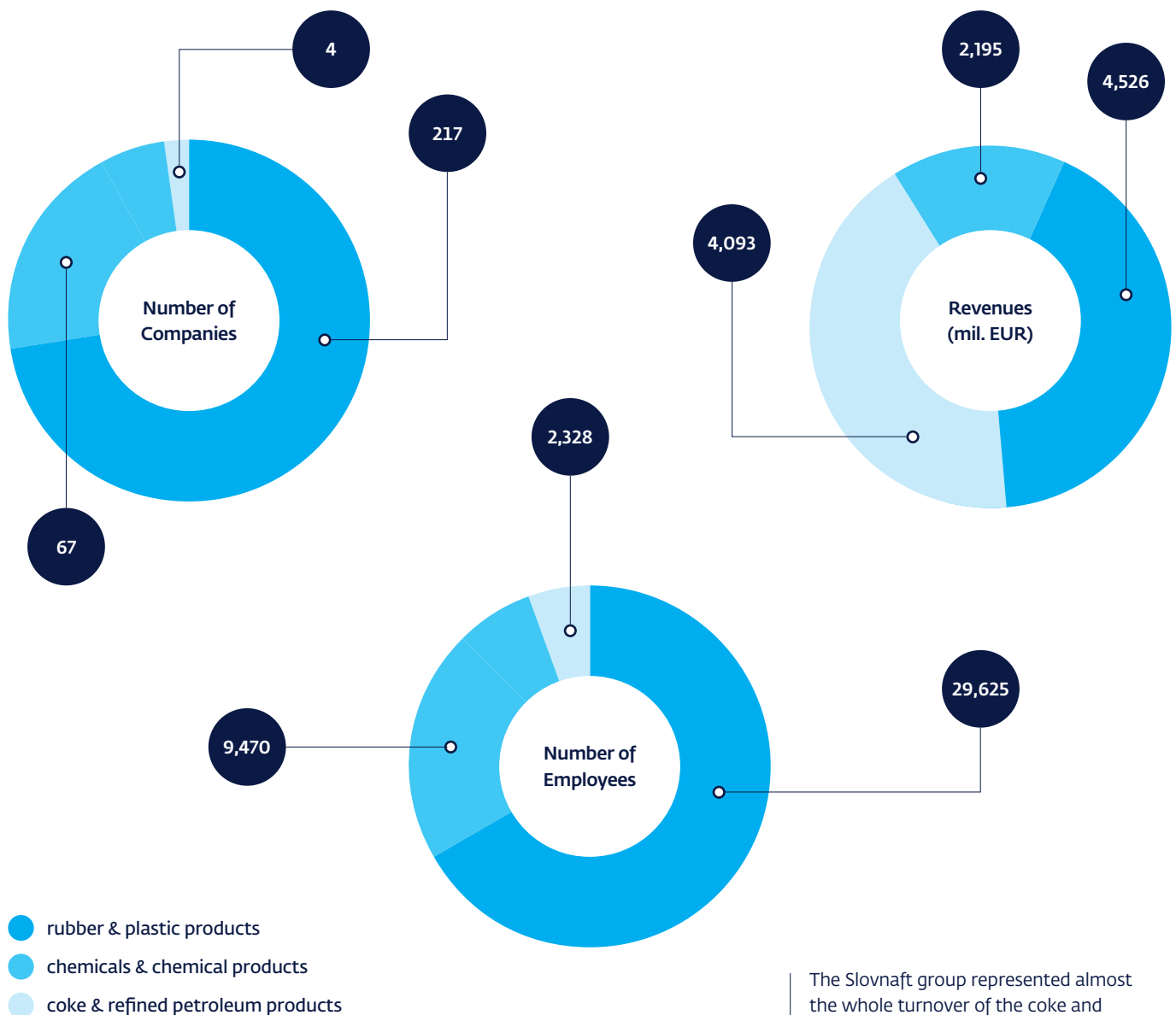
Top 10 Reasons Why to Invest in Slovakia

- 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
- 10 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

- 13 Chemical industry oriented faculties
 - 1,800 Students in chemistry oriented study fields
 - 400 Graduates in chemistry oriented study fields
 - 320+ All technical vocational secondary schools
 - 61,100 Students at the technical vocational secondary schools
 - 14,300 Graduates of the technical vocational secondary schools
- Universities
● Secondary Schools

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

Source: SARIO, Finstat 2023 (data for 2022)

Chemical Industry Supporting Platform



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

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

ZCHF 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:

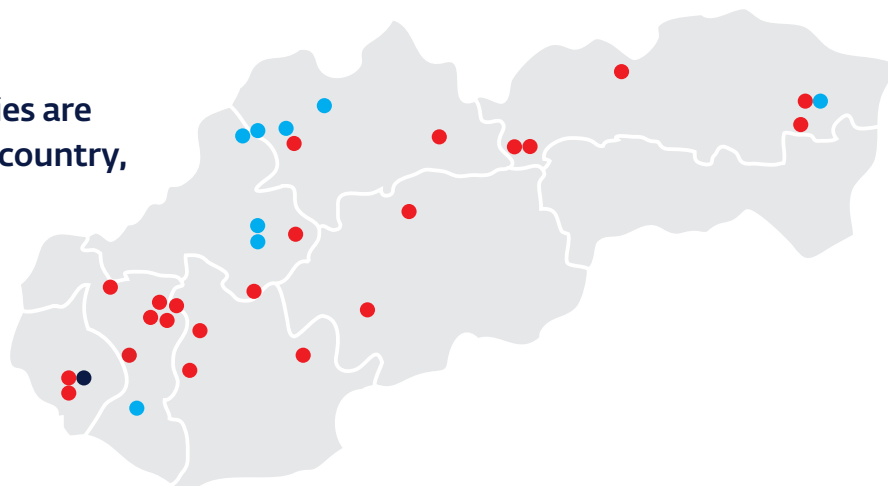
- Structure and functional properties of polysaccharides, their derivatives, and conjugates with other polymers
- Establishment of a Pan-European network on the sustainable valorisation of lignin (LignoCOST)
- Analysis of glycan markers by innovative methods based on biochips & biosensors using nano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

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

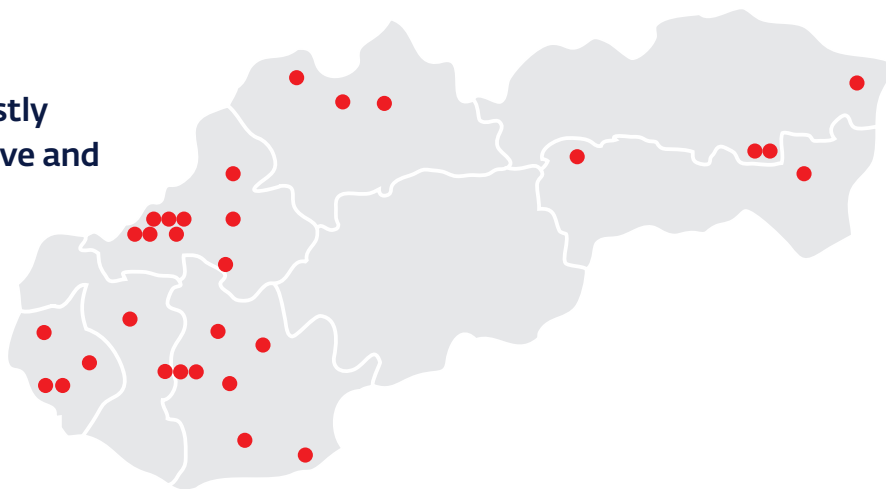
Employees: 191

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 Velký Meder	Veľký Meder	33,891	342
THERMOPLASTIK	Poriadie	33,113	241
CIKAUTOXO 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

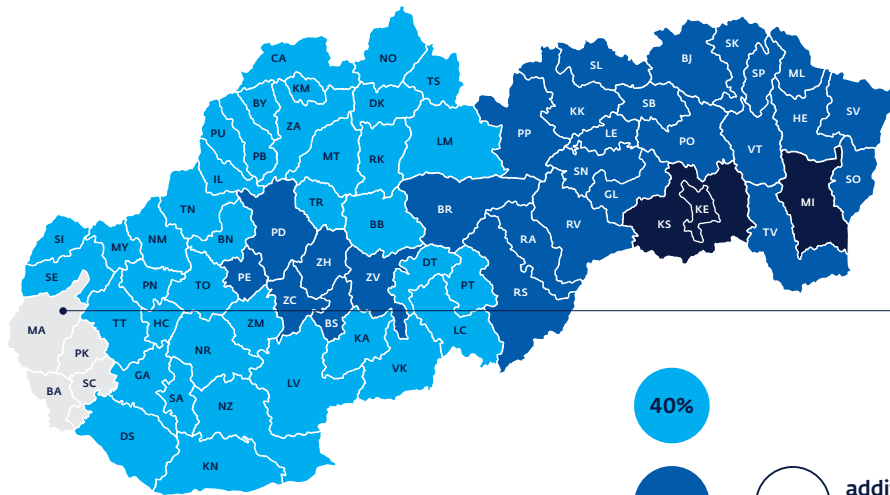
Investment Incentives

MAXIMUM REGIONAL INVESTMENT AID INTENSITY

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.



Districts in Bratislava region are excluded from the investment aid scheme



40%

50%

60%

+10% additional incentives for medium-sized enterprises

+20% additional incentives for small and micro-sized enterprises

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

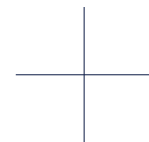
ELIGIBLE COSTS

- 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

*An amendment to the Governmental Regulation no. 195/2018 Coll. is currently in the legislation process. Map of maximum intensities above already reflects these changes (maximum aid intensity in the Western Slovakia increased from 30% to 40%). Please contact us at invest@sario.sk for more information (including minimum conditions).



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 UAE 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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