



Hipol

**Hipol odžaci JSc
odžaci**



General Information

Full legal name	Hipol Odzaci joint-stock company, ODŽACI
Address	Odzaci, Industrijska zona bb
Identification Number	08105472
Core activity	Production of plastics -Primary forms
Foundation Year	1976
Number of Employees	209



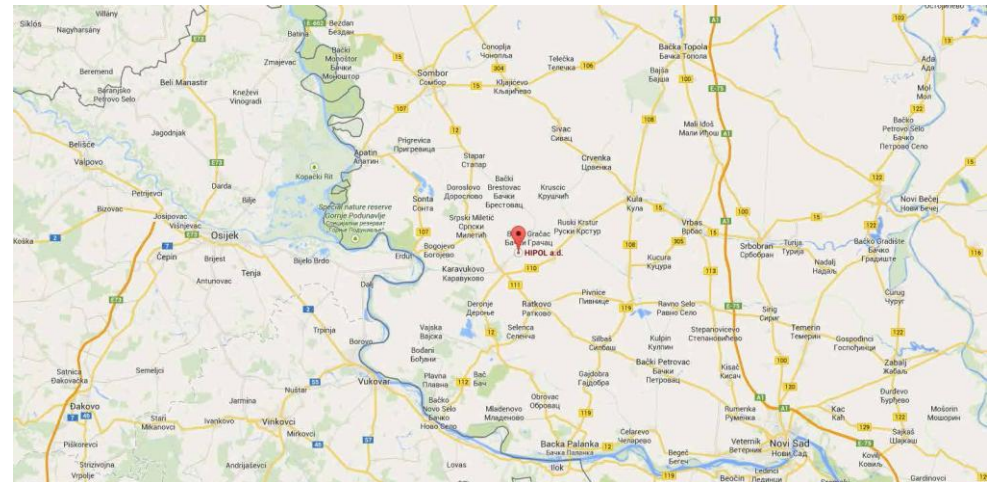
capital structure (in%)	
Privatization Agency	99.17
Others	0.83

General Information



**distance form the
c ompany to:**

Belgrade	
Regional Center	140 km
Main road	60 km
Port	5 km
Railway	20 km
	2 km



Location



Pan-European Transport Corridors

Municipality of Odžaci is located in the west part of Bačka, on the left coast of the river Danube in length of 9.5 km.

The territory belongs to the West-Bačka district, AP Vojvodina, Republic of Serbia. It is surrounded by the municipalities of Apatin, Sombor, Kula, Vrbas, Bačka Palanka, Bač and on Danube is bordered with Republic of Croatia. The territory of municipality of Odžaci covers an area of 41.115,89 hectares. By size of the territory, municipality of Odžaci is one of the smallest municipalities in the scope of Vojvodina.

The municipality center, settlement Odžaci, is located in the middle of the municipality's territory, whereas the other settlements are radially staggered around the municipality's center.



About Company



Hipol is the only Serbian polypropylene producer, dealing with a full range of HIPOLEN P homopolymer grades.

Active since 1983, Hipol gathered a lot of positive experience, but still remained young and ready for new challenges.

Hipol plant is a small one, having a capacity of 35.000 t/y. There is no complex around it and there is no economics of scale. Instead of them, Hipol has an extreme flexibility, being always ready to accept the requirements of each customer. The operating conditions change easily, not causing to much expenses, so we are ready to talk about small orders too.

Hipol's plant is equipped with all auxiliaries which could be necessary under normal, or heavy circumstances. Our own utility plant, maintenance shops, accredited laboratories and effective R&D teams costs, but gives good support to a grassroot facility

The expression "grassroot" has in our case a special meaning. Our grassroot is a large agricultural area, and in middle of it - a chemical plant. All of us in Hipol are aware of the necessity to protect our environment from ourselves, and from other possible harmful influences.

We wish good relationship with our neighborhood, to the mutual satisfaction.

Product portfolio



polypropylene



- **Extrusion Thermoforming**
- **Tapes Monofilament Fibers
Textile Fibers**
- **Injection Molding**
- **BOPP film**

Product portfolio



Fabrication	Hipolen p Grade	MFR (g/10 min)
Extrusion Thermoforming	eH 7	0.7
	EH 71	1.1
	ea 5S	3.2
	EA 5T	3.2
Tapes Monofilament Fibers Textile Fibers	FY 6	2.3
	FY 5	3.3
	TA 41G	8
	TA 3	12
	TM 2G	23
Injection Molding	MA 71	1.7
	MA 4	5
	MA 41	7
	MA 3	11
	MA 31	17
	MA 2	21
	MA 21	30
	MA 1	40
BOPP film	FL 5	3.2

Certificates



Quality assurance certificate ISO 9001

Company owns quality assurance certificate ISO 9001.

Ecology

According to applicable regulations, the requirements for environment protection are fulfilled.



Additional Activities



During long years of polypropylene production, Hipol several times changed its process. The most effective improvement was the catalyst change, from classic Ziegler - Natta to high activity one. Utility consumption decreased significantly; some process chemicals and plant equipment treating them become unnecessary.

Having unused items of plant equipment was a major challenge, accepted by our researchers.



LPG from gasoline

There are a lot of LPG production processes.

Hipol developed its own process, based on gasoline continuous distillation. With minor modifications, the existing plant equipment, auxiliary systems and manpower is used, not influencing polypropylene production.

Main product is standard autogas LPG, with valuable byproducts, mainly pure heavy hydrocarbons.

Hipol offers a complete service, including unloading/loading manipulation, LPG production, raw material and product storage, ISO 17025 accredited laboratory tests, ISO 9001 certified quality assurance.

Propane/propylene fraction purification

Mandatory requirement of any propylene polymerization process is high purity of the raw material propylene, usually over 99%. On the market, chemical grade of 92-95% or polymer grade of more than 99,5% purity are available.

Staying on grassroot, Hipol is equipped with a powerful purification unit. It can accept C3 fraction with 75% propylene content. Product of the purification is polymer grade propylene. The byproduct is propane, usable for LPG mixing.

The usage of C3 fraction does not influence the polymer quality, but only seldom operators can so vigorously purify it. There is a brand new economics, with increased purification, and much decreased raw material cost.

Hipol offers the purification service, with all the necessary auxiliaries.

Production and Capacity



Product	Unit	Quantity			Value in EUR		
		2011	2012	2013	2011	2012	2013
Polypropylene	t	32,479	17,257	34,719	7.986.743	20.798.587	39.619.337
APP	t	297	205	308	203.324	138.016	200.258



Capacity utilization

Machine (Production line)	Unit	Installed capacity	Real capacity	% of utilization		
				2011	2012	2013
Polypropylene plant	t	33600	32000	98.88	76.38	98.30

Land / Buildings



Location	Surface of land (m ²)	Surface of building (m ²)		Green areas (m ²)
Odžaci	129.522	45.431	24.884	24.884



Realization



Movement in sale volume

Product/service	Unit	Quantity sold			Value in EUR		
		2011	2012	2013	2011	2012	2013
Polypropylene	t	32,328	17,243	34,670	8.225.665	20.783.155	39.562.124
APP					214.371	130.753	125.434
TOTAL:					8.440.036	20.913.907	39.687.558



Sales structure

Sales structure in %	2011	2012	2013
Domestic market	3.85	63.43	49.60
Foreign market	96.15	36.57	50.40
TOTAL :	100.00	100.00	100.00

Distribution channels

Distribution channels	% of share
Direct sale	100.00
Wholesale	0
Retail	0
Intermediaries	0

Organization



EMPLOYEES



Number of employees

Working	200
Paid leave	0
Unpaid leave	0
Other (sick leave, vacation, etc.)	9
TOTAL NuMbEr Of EMPLOYEES	209

age structure of employees

Age	-25	25-35	35-40	40-45	45-50	50-55	55+
Number	0	12	6	36	13	68	74

average salaries in Eu r

(gross and net) in 2011, 2012 and

Year	Gross	Net
2011	555	398
2012	605	432
2013	667	477

Assets Overview



	Value in EUR		
	31/12/2011	31/12/2012	31/12/2013
CURRENT ASSETS	7.139.159	8.116.504	4.843.831
FIXED ASSETS	16.253.243	8.853.659	13.185.366



A) Information contain in this document is based on the data recieved from the company, and as such has not been verified by the Privatization Agency. Accordingly, the Privatization Agency shall have no liability with respect to the accuracy and validity of the information contained here in.

B) Pursuant to the law, enterprises from the Republic of Serbia were obliged as of 2004 to prepare Financial Statements in accordance with the International Standards of Financial Reports (ISFR).

SWOT Analysys

STr ENGThS:

Only producer of polypropylene
in ex-Yugoslavia

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WEa kNESS:

Problems in supplying basic raw material
- polypropylene

OPPOr TuNITIES:

Investments in expanding production
capacities and introduction of new additional
processing work

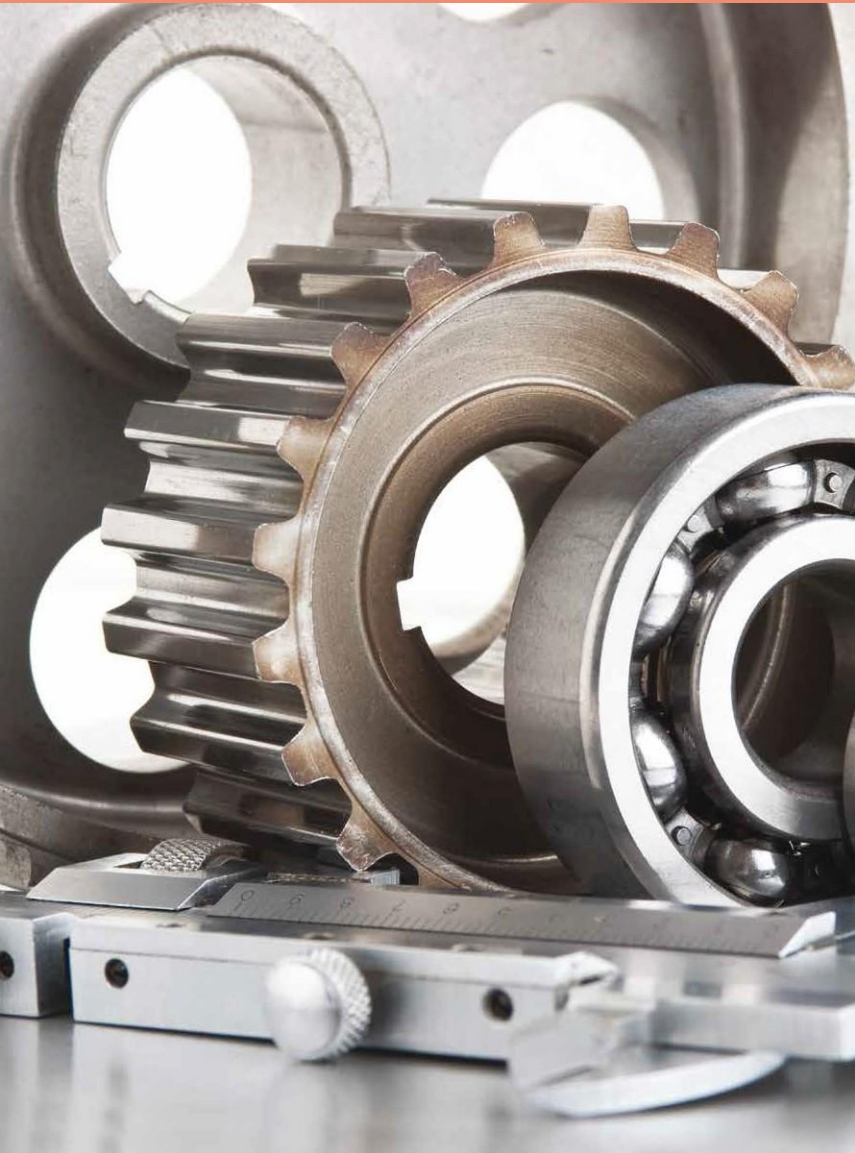
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Th r EaTS:

Competition in the market

Advantages of Investing in Serbia



Favorable geographic position, owing to which any shipment can reach any location in Europe within 24 hours

Highly educated and cheap labor force

Restructured and stable financial system

Simple procedures for a company start-up and registration

Simple procedures for foreign trade transactions and foreign investments

Several free trade agreements have been signed, ensuring supply of goods to nearly 800 million consumers:

- In March 2012 Serbia was granted the candidates status by the EC
- CEFTA
- Agreement with the EFTA members
- Autonomous trade preferences granted by the EU in December 2000, and implementation of the Interim Trade Agreement with the EU started in February 2010
- Agreement with the Russian Federation, Belarus and Kazakhstan
- Agreement with Turkey

Contact



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