Chemical industry ŽUPA JSC
Kruševac
General Information

Full legal name: Chemical industry ŽUPA JSC, Kruševac
Address: No number Sandora Petefija Street, 37000 Krusevac
Identification Number: 07194480
Core activity: Manufacture of other inorganic basic chemicals
Foundation Year: 1934
Number of Employees: 18

Capital structure (in%)

<table>
<thead>
<tr>
<th>Shareholders’ fund</th>
<th>15.38</th>
</tr>
</thead>
<tbody>
<tr>
<td>Privatization Agency</td>
<td>70.00</td>
</tr>
<tr>
<td>Others</td>
<td>14.62</td>
</tr>
</tbody>
</table>
Distance form the Company to:

- Belgrade: 198 km
- Regional Center: 0 km
- Main road: 5 km
- Port: 199 km
- Railway: 0 km
Location

Geographical location of Chemical industry ŽUPA JSC, Kruševac is of strategic importance in the market area of southeastern Europe and provides opportunity for intensive business cooperation.
Chemical Industry “Župa” ad Kruševac was founded in 1934 by several local industrialists and it originally produced copper-sulphate (blue stone) primarily for vineyard-growing surrounding area called Župa.

The intensive growth has begun after the Second World War and especially during seventies and eighties of 20th century when the production has been significantly modernized and expanded. During those years HI “Župa” is developing into a giant of chemical industry even in global frames.

Since 2004 it is doing business as a stock-holding company, and since November 2005, after the unsuccessful privatization process, the majority package of stocks (70%) is at the Portfolio of the Share Fund of the Republic of Serbia.

“Župa” consists of four production parts: Sulphates Factory, Pesticides Factory, Flotation reagents Factory and Potassium chemistry Factory.
Product portfolio

Chemical Industry “Župa” ad Kruševac has a wide range of chemical products, from inorganic salts in the form of sulphates and products of potassium chloride electrolysis (potassium hydroxide and chlorine) through plant protection reagents and reagents for flotation of non-ferrous metal ores to feed additives and leather processing agents. The quality of our products is guaranteed by our long-standing experience (over 73 years of existence).

The quality control is performed from input raw materials to finished products at our own well-equipped laboratories (liquid and gas chromatograph, photometer, granulometer, pH-meters, classic laboratory analyses) according to world recognized methods in cooperation with relevant institutes and faculties.

Production program of Chemical Industry “Župa” ad Kruševac includes the following groups of products:

- INORGANIC SALTS - SULPHATES
- PLANT PROTECTION
- FLOTATION REAGENTS
- ELECTROLYTIC PRODUCTS - KCL
- WATER TREATMENT AGENTS
- FEED ADDITIVES
- LEATHER PROCESSING AGENTS
Product portfolio

NORGANIC SALTS - SULPHATES

**ZINC SULPHATE HEPTAHYDRATE**
FORMULA  ZnSO4 x 7H2O
QUALITY  The content of active ingredient: min 98%; The content of heavy metals: max 150ppm (Pb,Cd,As,Hg)
APPEARANCE  White crystals

**IRON SULPHATE HEPTAHYDRATE**
FORMULA FeSO4 x 7H2O
QUALITY The contents of active ingredient: min 98%; The contents of insoluble residue: max 0.2%; The content of free H2SO4: max 0.25%; The content of heavy metals: max 250ppm (Pb,Cd,As,Hg)
APPEARANCE  Green to yellow-green crystals

**MAGNESIUM SULPHATE HEPTAHYDRATE**
FORMULA  MgSO4 x 7H2O
QUALITY The contents of active ingredient: min 98%; The contents of heavy metals: max 150ppm (Pb,Cd,As,Hg)
APPEARANCE  White small crystals

**COPPER SULPHATE (CRYSTALS)**
GENERIC NAME  Copper sulphate pentahydrate
FORMULA  CuSO4 x 5H2O
QUALITY The contents of active ingredient: min 98%; The contents of insoluble residue: max 0.2%; The content of free H2SO4: max 0.05%; The content of Fe: max 0.05%; The content of heavy metals: max 250ppm (Pb,Cd,As,Hg)
APPEARANCE  Blue crystals

**COPPER SULPHATE (POWDER)**
GENERIC NAME  Copper sulphate pentahydrate
FORMULA CuSO4 x 5H2O
QUALITY The content of active ingredient: min 98%; The content of insoluble residue: max 0.2%; The content of free H2SO4: max 0.05%; The content of Fe: max 0.05%; The content of heavy metals: max 200ppm (Pb,Cd,As,Hg)
APPEARANCE  Blue crystal
Product portfolio

PLANT PROTECTION

**BLAUVIT**
- **GENERIC NAME**: Copper Hydroxide
- **CHEMICAL COMPOSITION**: Active ingredient: Copper-hydroxide (IUPAC) copper (II) hydroxide; 50%±2.5 copper (in the form of copper hydroxide 77%) CAS No: 20427-59-2
- **PHYSICAL PROPERTIES**:
  - Formulation form: WP-wettable powder
  - Colour: Blue
  - Content of particles larger than 44 microns: Traces
  - Loss on drying to 105°C: Up to 3%
  - Emulsion stability in standard hard water after 30 minutes: 80%

**BORDEAUX MIXTURE S-20**
- **CHEMICAL COMPOSITION**: Active ingredient: Copper ... 20+/− 6% CAS No: 20427-59-2
- **PHYSICAL PROPERTIES**:
  - Formulation form: WP - wettable powder
  - Colour: Light blue
  - Content of particles larger than 44 microns: traces
  - Loss on drying to 105°C: up to 6%
  - Suspension stability in standard hard water after 30 minutes: 80%; pH of 5% suspension: about 7,6

**KUPRAGRIN**
- **GENERIC NAME**: Copper Oxysulphate
- **CHEMICAL COMPOSITION**: Active ingredient: Copper - oxysulfate (IUPAC) trihydroxide-sulfate complex CAS No: 20427-59-2; Contens of active ingredient: 350 g/l (±) 5% copperoxysulfate; Molecular formula: 3Cu(OH)2·CuSO4
- **PHYSICAL PROPERTIES**:
  - Formulation form: SC-liquid suspension concentrate
  - Colour: Blueish-green
  - Content of particles larger than 44 microns: Traces
  - Suspension stability in standard hard water after 30 minutes: 96%; pH of 0.6% suspension: About 6.7

**ZINEB - TECHNICAL CONCENTRATE**
- **CHEMICAL COMPOSITION**: Active ingredient: ZINEB (IUPAC) zinc-ethylene (dithiocarbamate) CAS No: 12122-67-7; Content of active ingredient: 94% (after Clark); Content of water: 1%
- **PHYSICAL PROPERTIES**:
  - Physical state: Powder
  - Colour: White to light yellow
  - PACKING PVC or paper bags of 5-25 kg.

**ZIRAM - TECHNICAL CONCENTRATE**
- **CHEMICAL COMPOSITION**: Active ingredient: ZIRAM (IUPAC) zinc bis (dimethylthiocarbamate) CAS No: 137-30-4; Content of active ingredient: 96% min. (after Clark); Content of water: 1%
- **PHYSICAL PROPERTIES**:
  - Physical state: Powder
  - Colour: White (light grey)
  - PACKING PVC or paper bags of 5 - 15 kg.

**TMTD - TECHNICAL CONCENTRATE**
- **CHEMICAL COMPOSITION**: Active ingredient: TMTD, THURAM (IUPAC) tetramethylthiuram disulphide or bis (dimethylthiocarbamoyl) disulphide
- **PHYSICAL PROPERTIES**:
  - Physical state: Powder
  - Colour: White (light grey)
  - PACKING PVC or paper bags of 5-15 kg
**Product portfolio**

**FLOTATION REAGENTS**

**SODIUM ETHYL XANTHATE**
- CONTENTS: A.M. Content min. 88-90% as per acetone method
- APPEARANCE: Light yellow powder or flakes.
- PACKING: Tin barrels 115, 125kg net.

**SODIUM ISOPROPYL XANTHATE**
- CONTENTS: A.M. Content min. 85% (flakes); min. 80% (powder or pellets)
- APPEARANCE: Dry powder, pellets or flakes, light yellow or yellow.
- PACKING: Tin barrels 120, 130 or 150kg net.

**SODIUM ISOBUTYL XANTHATE**
- CONTENTS: A.M. Content min. 88% as per acetone method
- APPEARANCE: Dry powder or flakes, light yellow or yellow.
- PACKING: Tin barrels 115, 125kg net.

**POTASSIUM ETHYL XANTHATE**
- CONTENTS: A.M. Content min. 90% as per acetone method
- APPEARANCE: Dry powder, light yellow to yellow colour.
- PACKING: Tin barrels 120, 130kg net.

**POTASSIUM BUTYL XANTHATE**
- CONTENTS: A.M. Content min. 90% as per acetone method
- APPEARANCE: Dry powder, light yellow or yellow.
- PACKING: Tin barrels 120 or 130kg net.

**POTASSIUM ISOBUTYL XANTHATE**
- CONTENTS: A.M. Content min. 90% as per acetone method
- APPEARANCE: Dry powder, light yellow or yellow.
- PACKING: Tin barrels 120 or 130kg net.

**POTASSIUM AMYL XANTHATE**
- CONTENTS: A.M. Content min. 90% as per acetone method
- APPEARANCE: Dry powder or pellets, grey yellow to greenish yellow.
- PACKING: Tin barrels 130 or 150kg net.

**SELKOL 19-81**
- CONTENTS: A.M. Content min. 93%
- APPEARANCE: Oily light yellow to reddish liquid.
- PACKING: Sheet iron drums of 200kg net.

**ELECTROLYTIC PRODUCT – KCl**

**POTASSIUM HYDROXIDE FLAKES**
- FORMULA: KOH
- MOL. WEIGHT: 56.11
- SPEC. WEIGHT: 2.044
- MELTING POINT: 359.8
- QUALITY: 90-92% KOH (the remaining is water)
- APPEARANCE: Milky white flakes of 1mm and 1cm² size
- PACKING: Double PE bags of 25kg net

**POTASSIUM HYDROXIDE LIQUID**
- LIQUID CHLORINE
  - COMPOSITION: Chlorine (Cl₂), min 99.5% vol,
  - Carbon dioxide (CO₂) max 0.5% vol, Moisture max 0.05%
  - PACKING: Container, Bottle, Tank

**CHLOROHYDRIC ACID (HCL)**
- COMPOSITION: HCL min 31%; Fe max. 0.0001%;
- APPEARANCE: Clear, light-yellow liquid, mechanical additives free.
- PACKING: Tank, Container, Bottle

**SODIUM HYPOCHLORITE**
- COMPOSITION: the content of active chlorine (Cl) min 120 gr/l; NaOH min 3 - max 15 gr/l
- APPEARANCE: Clear, yellow-greenish liquid
- PACKING: In PE carboys of 50 l, in railway and tank trucks.
KOAFLOK - LIQUID
GENERIC NAME: Base polychlorine of sulphate aluminium
FORMULA: $\text{Al}_\text{n} (\text{OH})_\text{m} (\text{SO}_4)_\text{k} \text{Cl}_3 \text{n-m-2k}$
QUALITY: $\text{Al}_2\text{O}_3$ min 8%, basicity 40-60%, Cl $\pm 1\%$, SO$_4$ $\pm 1\%$, pH 3,0 $\pm 0,3\%$, spt 1,2 $\pm 0,05$ gr/cm$^3$
APPEARANCE: Colorless liquid
PACKING: 50kg; tank

LIQUID CHLORINE
COMPOSITION Chlorine (Cl$_2$), min 99,5% vol, Carbon dioxide (CO$_2$) max 0,5% vol, Moisture max 0,05%
PACKING Container, Bottle, Tank

CHLOROHYDRIC ACID (HCL)
COMPOSITION HCL min 31%; Fe max. 0,0001%;
PACKING Tank, Container, Bottle

SODIUM HYPOCHLORITE
COMPOSITION the content of active chlorine (Cl) min 120 gr/l; NaOH min 3 - max 15 gr/l
PACKING In PE carboys of 50 l, in railway and tank trucks.

WATER TREATMENT AGENTS

FEED ADDITIVES

ANI – CU – 25
COMPOSITION Inorganic salt of copper in the form of sulphate.
QUALITY The contents of active ingredient: Cu 24-25%; The contents of insoluble residue: max 2,5%; The contents of heavy metals: max 100 ppm (Pb, Cd, As, Hg)
APPEARANCE Free-flowing light-blue powder, odourless.
PARTICLE SIZE DISTRIBUTION from 0,3-0,5 mm 10%; from 0,2-0,3 mm 20%; from 0,1-0,2 mm 40%; < 0,1 mm 30%
PACKING Woven PP vent bags with PE inner bag of 25 kg net and BIG BAG, 1,000 kg net.

ANI – FE – 20
COMPOSITION Inorganic salts of iron in the form of sulphate.
QUALITY The content of active ingredient: Fe 19-20%; The content of insoluble residue: max 3%; The content of heavy metals: max 100 ppm (Pb, Cd, As, Hg)
APPEARANCE Light green to yellow green powder, odourless.
PARTICLE SIZE DISTRIBUTION >0,5 mm 5%; from 0,2-0,5 mm 40%; from 0,1-0,2 mm 40%; < 0,1 mm 15%
PACKING Woven PP vent bags with PE inner bag of 25 kg net and BIG BAG, 1,000 kg net.

ANI – MG – 10
COMPOSITION Inorganic salt of magnesium in the form of sulphate.
QUALITY The contents of active ingredient: Mg 9-10%; The contents of insoluble residue: max 4%; The content of heavy metal: max 100 ppm (Pb, Cd, As, Hg)
APPEARANCE White powder, odourless.
PARTICLE SIZE DISTRIBUTION >0,5 mm 5%; from 0,2-0,5 mm 45%; from 0,1-0,2 mm 25%; < 0,1 mm 25%
PACKING Woven PP vent bags with PE inner bag.

ANI – ZN – 22
COMPOSITION Inorganic salt of zinc in the form of sulphate.
QUALITY The contents of active ingredient: Zn 21-22%; The contents of insoluble residue: max 3,5%; The contents of heavy metals: max 100 ppm (Pb, Cd, As, Hg)
APPEARANCE White powder, odourless.
PARTICLE SIZE DISTRIBUTION >0,5 mm 5%; from 0,2-0,5 mm 40%; from 0,1-0,2 mm 40%; < 0,1 mm 15%
PACKING Woven PP vent bags with inner bag.
LEATHER PROCESSING AGENTS

HROMIBAS - 33
CHEMICAL DATA  Hromibas 33 Cr₂O₃ 25±1% (powder) 17±1% (liquor); Basicity 33±1% ; Na-sulphate 23-24% (powder); 15-17% (liquor)
APPEARANCE  Green powder - green liquid.
PACKING  Hromibas 33 powder is packed in double bags, inside PE, outside PP, or in natron bags. Hromibas 33 liquor is transported in adequate tank cars.

ŽUPACHROME CM
CHEMICAL DATA  Cr₂O₃ 7-8%
APPEARANCE  A green - grey powder.
PROPERTY AND APPLICATION  Župachrom - CM is reactive chrome tanning agent, an integral part of chrome tanning process with high float exhaustion. It acts as a fixing and self-basifying agent, so that no basifying is necessary and the end pH 3.9-4.1 is obtained.
This material is adapted for the production of all types of chrome leathers. No special preliminary steps is necessary for its application. The tanning has been done in combination with basic chrome sulphate of basicity 33% Sch.

While preparing chrome tanning agent with ŽUPACHROM CM, the product tending ro better level of use, the most important is to determine:
- float quantity
- temperature
- pH value
- chrome oxide quantity
Next condition of work are recommended:
- absolutely delimed andbated leather, pH of leather 7.8 - 8.0
- PHPH - colourless, throught
- 40% water  T=26°C-27°C
- 5% NaCl  10'(5-7Bë)
- 0,7% HCOOH (1:5)  15’
- 0,8% H₂SO₄ (1:10)  120’
- pH=2,9-3,1 throught BC=yellow
Tanning:
- 4% BCS 33% Sch  60’
- 2.2% Zupachrom CM  540’
- T=43°C boiling test 98-100°C  pH=3.8-4.1
PACKING  In double bags, inside PE, outside PP, or in natron bags.
Production and Capacity

<table>
<thead>
<tr>
<th>Product/services</th>
<th>Unit</th>
<th>Quantity</th>
<th>Value in EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sodium hypo-chlorite</td>
<td>t</td>
<td>246</td>
<td>144</td>
</tr>
<tr>
<td>Chlorine</td>
<td>t</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Powder dithiocarbonate</td>
<td>t</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Land and buildings

Company is organized in 4 production factories:

- Pesticide factory: production of herbicides, insecticides and fungicides. Currently used for formulation and service packing for liquid pesticides.
- Sulfate factory: production of zinc sulfate, copper sulfate, aluminum sulfate, magnesium sulfate, ferrous sulfate, preparation and premix for fodder. Most recognizable product is “blue stone” - copper sulfate that is the trademark of HI “Župa”, which is currently produced in crystal form.
- Flotation agents factory: HI “Župa “ is the only manufacturer of flotation agents in the country. Manufacture of dithiocarbonate (used for separating the tailings from the ore), and that of sodium and potassium, based on the ethyl, isopropyl, isobutyl and amyl alcohol in the form of a powder. It has a plant for pelletizing. The liquid flotation that was produced was SELKOL. Manufacture of dithiocarbonate based on sodium – hydroxide.
- Potassium factory: Production of technical chemicals. Production of potassium or sodium hydroxide in flakes, hydrochloric acid, sodium hypochlorite and chlorine for the purification of drinking water, and potassium carbonate. Currently produces sodium hypochlorite and does distribution of liquid chlorine.
## Production and Capacity

### Capacity utilization

<table>
<thead>
<tr>
<th>Machine (Production line)</th>
<th>Unit</th>
<th>Installed capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production of copper sulfate</td>
<td>tons/year</td>
<td>6000</td>
</tr>
<tr>
<td>Production base chromic sulfate</td>
<td>tons/year</td>
<td>7000</td>
</tr>
<tr>
<td>Production of zinc, magnesium sulfate</td>
<td>tons/year</td>
<td>6000</td>
</tr>
<tr>
<td>Production of Koaflok</td>
<td>tons/year</td>
<td>480</td>
</tr>
<tr>
<td>Production of additives</td>
<td>tons/year</td>
<td>1000</td>
</tr>
<tr>
<td>Synthesis of powdered pesticide</td>
<td>tons/year</td>
<td>2000</td>
</tr>
<tr>
<td>Pesticide formulations and packaging</td>
<td>tons/year</td>
<td>4000</td>
</tr>
<tr>
<td>Formulation of liquid pesticides</td>
<td>tons/year</td>
<td>2000</td>
</tr>
<tr>
<td>The production of dithiocarbonate</td>
<td>tons/year</td>
<td>2500</td>
</tr>
<tr>
<td>Production of ground soda</td>
<td>tons/year</td>
<td>2000</td>
</tr>
<tr>
<td>Production pellet dithiocarbonate</td>
<td>tons/year</td>
<td>3200</td>
</tr>
<tr>
<td>Production of powder dithiocarbonate</td>
<td>tons/year</td>
<td>10000</td>
</tr>
<tr>
<td>Production of three glycolic acid</td>
<td>tons/year</td>
<td>500</td>
</tr>
<tr>
<td>Production of three glycolic acid</td>
<td>tons/year</td>
<td>800</td>
</tr>
<tr>
<td>Rectification of alcohol</td>
<td>tons/year</td>
<td>1000</td>
</tr>
<tr>
<td>Painting metal barrels</td>
<td>barrel/day</td>
<td>1200</td>
</tr>
<tr>
<td>Electrolysis</td>
<td></td>
<td>3500 Cl2, 8000 NaOH, 13000 KOX</td>
</tr>
<tr>
<td>Production of hydrochloric acid</td>
<td>tons/year</td>
<td>12000</td>
</tr>
<tr>
<td>Production of carbonate</td>
<td>tons/year</td>
<td>4500 - 6000</td>
</tr>
<tr>
<td>Evaporation of hydroxide</td>
<td>tons/year</td>
<td>4500 - 6000</td>
</tr>
<tr>
<td>Processing of technical water</td>
<td>tons/year</td>
<td>0</td>
</tr>
<tr>
<td>System for industrial water</td>
<td>m3/l</td>
<td>216</td>
</tr>
</tbody>
</table>

### Capacity usage

- Sodium hypo-chlorite – in 2014 until 8/31 128 tons produced (3.6 % capacity usage)
- Chlorine – no production activities
- Powder dithiocarbonate - in 2014 until 8/31 252 tons produced (2.8 % capacity usage)
## Movement in sale volume

<table>
<thead>
<tr>
<th>Product/service</th>
<th>Unit</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sodium hypo chlorite</td>
<td>t</td>
<td>246</td>
<td>144</td>
<td>98</td>
<td>39.965</td>
<td>21.527</td>
<td>18.213</td>
</tr>
<tr>
<td>Chlorine</td>
<td>t</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Powder dithiocarbonate</td>
<td>t</td>
<td>0</td>
<td>0</td>
<td>167</td>
<td>0</td>
<td>0</td>
<td>227.386</td>
</tr>
</tbody>
</table>

## Sales structure

<table>
<thead>
<tr>
<th>Sales structure in %</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic market</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Foreign market</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>TOTAL :</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

## Distribution channels

<table>
<thead>
<tr>
<th>Distribution channels</th>
<th>% of share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct sale</td>
<td>100.00</td>
</tr>
<tr>
<td>Wholesale</td>
<td>0.00</td>
</tr>
<tr>
<td>Retail</td>
<td>0.00</td>
</tr>
<tr>
<td>Intermediaries</td>
<td>0.00</td>
</tr>
</tbody>
</table>
Number of employees

<table>
<thead>
<tr>
<th>Working</th>
<th>18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid leave</td>
<td>0</td>
</tr>
<tr>
<td>Unpaid leave</td>
<td>0</td>
</tr>
<tr>
<td>Other (sick leave, vacation, etc.)</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL NUMBER OF EMPLOYEES</strong></td>
<td><strong>18</strong></td>
</tr>
</tbody>
</table>

Age structure of employees

<table>
<thead>
<tr>
<th>Age</th>
<th>-25</th>
<th>25-35</th>
<th>35-40</th>
<th>40-45</th>
<th>45-50</th>
<th>50-55</th>
<th>55+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>0</td>
<td>9</td>
<td>2</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

Average salaries in EUR

(gross and net) in 2011, 2012 and 2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>268</td>
<td>172</td>
</tr>
<tr>
<td>2012</td>
<td>287</td>
<td>180</td>
</tr>
<tr>
<td>2013</td>
<td>322</td>
<td>222</td>
</tr>
</tbody>
</table>
A) Information contained in this document is based on the data received 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).

### Assets Overview

<table>
<thead>
<tr>
<th></th>
<th>31/12/2011</th>
<th>31/12/2012</th>
<th>31/12/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT ASSETS</td>
<td>4,843,613</td>
<td>1,129,921</td>
<td>1,119,342</td>
</tr>
<tr>
<td>NON-CURRENT ASSETS</td>
<td>5,328,643</td>
<td>9,805,277</td>
<td>20,501,668</td>
</tr>
</tbody>
</table>
**STRENGTHS:**
Manufactured products and preparations that are used in agriculture, mining, water management and energy industry. Favorable geographical position, close to the major cities. Industrial railway track. Only place to produce certain products (dithiocarbonate) in this part of Europe.

**OPPORTUNITIES:**
Production program of Hi “Župa” JSC is of strategic importance for the Republic of Serbia. Župa can produce and satisfy the needs of both domestic and foreign markets. Proper utilization of production capacity would lead to easy and fast recovery of the factory. Each product is competitive in the market.

**WEAKNESS:**
Necessary repairs in certain production parts. Huge production capacities are in low level of exploitation.

**THREATS:**
Economic and financial crisis, potential instability in the market. Certain products belong to the 2nd, 3rd, 4th group of toxins.
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