

# SeeNews

Business Intelligence  
for Southeast Europe



## Industry Report

### Mining of metal ores 2017 BULGARIA

[seenews.com/reports](https://seenews.com/reports)

# CONTENTS

I. KEY INDICATORS

II. INTRODUCTION

III. REVENUES

IV. EXPENSES

V. PROFITABILITY

VI. EMPLOYMENT

## I. KEY INDICATORS

- The Mining of metal ores industry in Bulgaria was represented by 27 companies at the end of 2017, compared to 31 in the previous year and 26 in 2015.
- The industry's net profit amounted to BGN 380,831,000 in 2017.
- The industry's total revenue was BGN 1,626,392,000 in 2017, up by 12.71% compared to the previous year.
- The combined costs of the companies in the Mining of metal ores industry reached BGN 1,202,708,000 in 2017, up by 2.60% year-on-year.
- The industry's total revenue makes up 1.69% to the country's Gross domestic product (GDP) in 2017, compared to 1.56% for 2016 and 1.59% in 2015.
- A total of 6,354 people were employed in the Mining of metal ores industry in 2017, compared to 6,707 in 2016 and 6,758 in 2015.
- Most of the companies in the industry are based in Laki, followed by Sofia and Madan.

## II. INTRODUCTION

In 2017 the companies in the Mining of metal ores industry numbered 27.

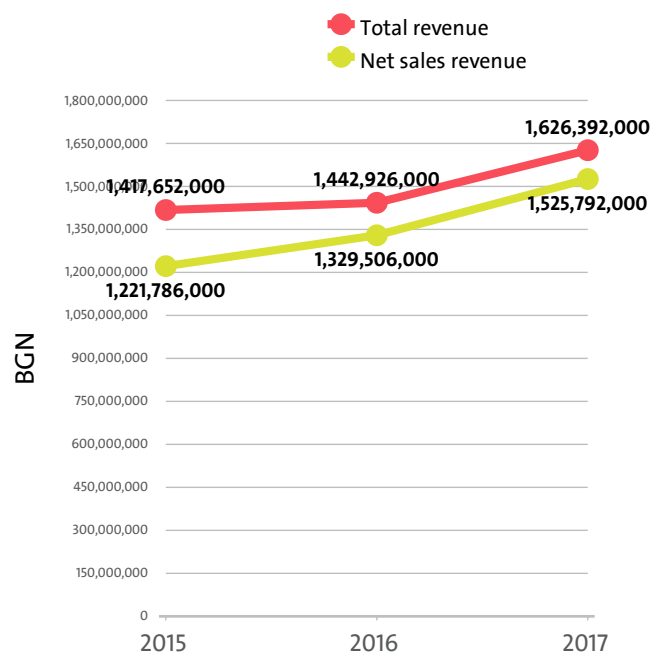
In 2016 there were a total of 31 companies operating in the industry. In 2015 their number totalled 26.

### NUMBER OF COMPANIES IN MINING OF METAL ORES INDUSTRY BY SECTORS

SECTOR	2017	2016	2015
MINING OF OTHER NON-FERROUS METAL ORES	27	31	25

## III. REVENUES

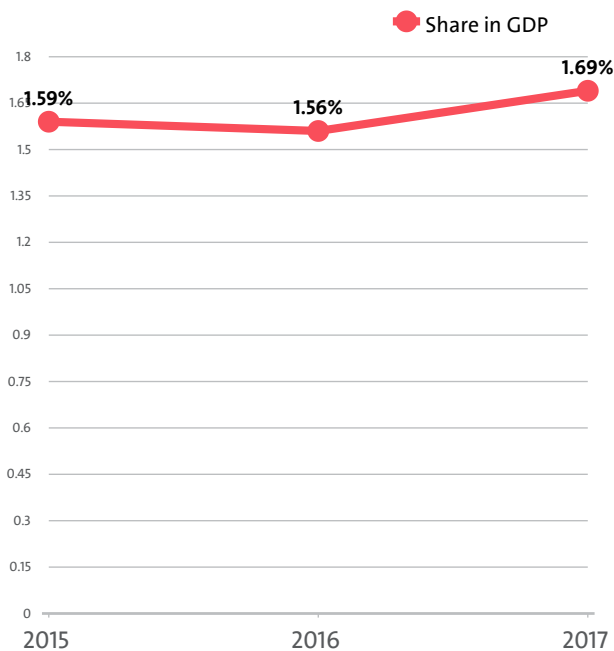
The total revenue in the industry was BGN 1,626,392,000 in 2017, BGN 1,442,926,000 in 2016 and 1,417,652,000 in 2015.



The companies in the Mining of metal ores market of Bulgaria earned combined net sales revenues of BGN 1,525,792,000 in 2017.

In annual terms, sales marked a growth of 14.76% compared to 2016. In comparison to 2015 they rose by 24.88%. In 2016 sales went up by 8.82% year-on-year.

The Mining of metal ores industry total revenue make up 1.69% to the country's GDP in 2017, compared to 1.56% for 2016 and 1.59% in 2015.



In 2017 the Mining of metal ores industry contributed to GDP BGN 1,547,977,000 in Gross value added (GVA) accounting for 0.91% of the total for the country's economy.

In the previous year, the industry's GVA amounted BGN 1,331,421,000, accounting for 0.87% of the total for the country in 2016. In 2015 the GVA of the Mining of metal ores

was BGN 1,341,712,000, or 0.87% of the GVA for the country's economy.

We expect, based on the trend in the last three years, the total revenue of the Mining of metal ores industry to change at a compound annual growth rate (CAGR) of 7.11% in 2018.

Mining of other non-ferrous metal ores contributed net sales revenue of BGN 1,525,792,000 or 100.00% of the total net sales in the industry.

The highest growth, of 14.76%, was recorded by Mining of other non-ferrous metal ores. There was no industry's sector to report a drop in net sales revenues.

The top 10 companies in terms of total revenue in Mining of metal ores accounted for 97.23% of the industry's total in 2017, 96.21% in 2016 and 98.21% in 2015.

#### TOP 10 COMPANIES BY TOTAL AND NET SALES REVENUE IN THE INDUSTRY

RANK	COMPANY	TOTAL REVENUE (BGN)	NET SALE REVENUE (BGN)
1	ELLATZITE-MED AD	548,046,000	515,247,000
2	ASAREL MEDET AD	417,303,000	376,500,000
3	DUNDEE PRECIOUS METALS CHELOPECH EAD	400,910,000	399,051,000
4	VARBA - BATANTSI AD	57,857,000	57,603,000
5	LUCKY INVEST AD	39,732,000	36,603,000
6	GORUBSO - MADAN AD	37,806,000	32,660,000
7	RODOPI ECO PROJECTS EOOD	37,632,000	37,205,000
8	GORUBSO KARDZHALI AD	14,971,000	13,658,000
9	GORUBSO ZLATOGRAAD AD	13,846,000	13,164,000
10	LAKY INVEST - DZHURKOVO EOOD	13,199,000	13,175,000

The total revenues of the top 10 companies in the Mining of metal ores were 1.65% of GDP in 2017, compared to 1.50% for 2016 and 1.56% in 2015.

The top 10 by assets in the Mining of metal ores industry made up BGN 1,477,742,000, or 96.85% of the total net sales revenue.

#### TOP 10 BY TOTAL ASSETS IN THE INDUSTRY

RANK	COMPANY	BGN
1	ASAREL MEDET AD	1,147,008,000
2	ELLATZITE-MED AD	532,405,000
3	DUNDEE PRECIOUS METALS CHELOPECH EAD	403,638,000
4	RODOPI ECO PROJECTS EOOD	58,936,000
5	LUCKY INVEST AD	50,189,000
6	GORUBSO - MADAN AD	42,181,000
7	RUDMETAL AD	33,657,000
8	VARBA - BATANTSI AD	31,626,000
9	EUROMANGAN EAD	27,814,000
10	GORUBSO KARDZHALI AD	26,202,000

#### TOP 10 COMPANIES WITH HIGHEST ANNUAL GROWTH IN OPERATING REVENUE IN MINING OF METAL ORES

RANK	COMPANY	Y/Y GROWTH
1	EUROMANGAN EAD	71.62%
2	MBI - MEDET OOD	45.33%
3	RODOPI ECO PROJECTS EOOD	28.90%
4	LAKY INVEST GOVEDARNIKA EOOD	28.34%
5	VARBA - BATANTSI AD	25.45%
6	ELLATZITE-MED AD	22.26%

7	DUNDEE PRECIOUS METALS CHELOPECH EAD	20.79%
8	LUCKY INVEST AD	20.01%
9	LAKY INVEST EOOD	18.74%
10	LAKY INVEST - DZHURKOVO EOOD	17.46%

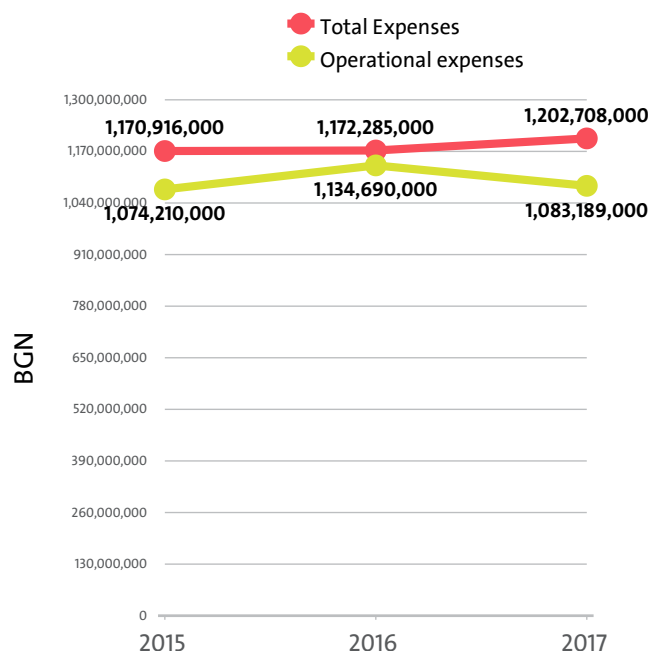
#### TOP 10 COMPANIES BY TOTAL REVENUE IN THE INDUSTRY WERE:

COMPANY	BGN
ELLATZITE-MED AD	548,046,000
ASAREL MEDET AD	417,303,000
DUNDEE PRECIOUS METALS CHELOPECH EAD	400,910,000
VARBA - BATANTSI AD	57,857,000
LUCKY INVEST AD	39,732,000
GORUBSO - MADAN AD	37,806,000
RODOPI ECO PROJECTS EOOD	37,632,000
GORUBSO KARDZHALI AD	14,971,000
GORUBSO ZLATOGRAAD AD	13,846,000
LAKY INVEST - DZHURKOVO EOOD	13,199,000

The 10 largest companies in terms of total revenue in sector Mining of other non-ferrous metal ores earned total revenue of BGN 1,581,302,000 and accounted for 97.23% of the industry's total revenue.

## IV. EXPENSES

The combined costs of the companies in the Mining of metal ores industry reached BGN 1,202,708,000 in 2017.



In annual terms, total expenses rose by 2.60% compared to 2016 and grew by 2.72% in comparison to 2015.

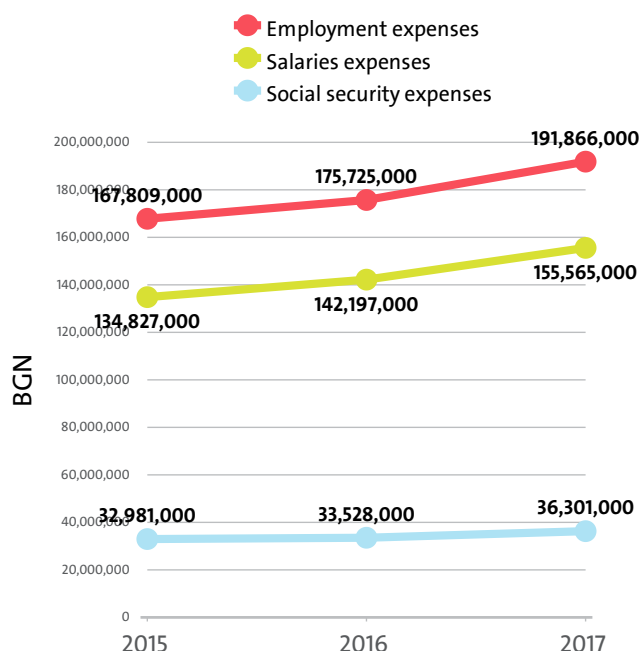
The total operating expenses of the companies in the Mining of metal ores industry were BGN 1,083,189,000 in 2017.

Operating costs dropped by 4.54% compared with the previous year and went up by 0.84% when compared to 2015.

We expect, based on the trend in the last three years, the total costs of the Mining of metal ores industry to change at a

compound annual growth rate (CAGR) of 1.35% in 2018.

Employment expenses in the Mining of metal ores industry grew by 9.19% on the year to BGN 191,866,000 in 2017.



The highest growth in labour costs, of 9.19%, was registered by Mining of other non-ferrous metal ores.

The monthly costs per employee in the Mining of metal ores industry averaged BGN 2,516 in 2017, BGN 2,183 in 2016 and BGN 2,069 in 2015.

The monthly social security costs per employee in the industry averaged BGN 476 in 2017, versus BGN 417 in 2016 and BGN 407 in 2015.

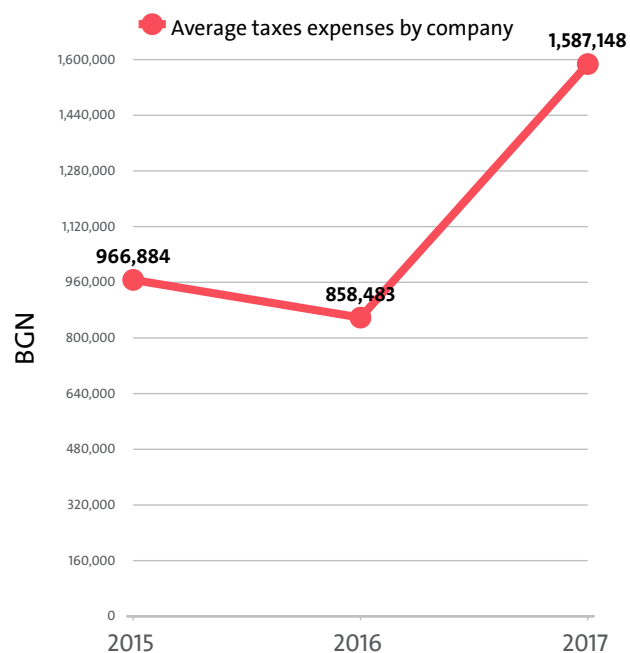
#### EMPLOYMENT EXPENSES IN MINING OF METAL ORES BY SECTORS IN 2017

RANK	SECTOR	EMPLOYMENT EXPENSES (BGN)	AVERAGE EXPENSES PER EMPLOYEE (BGN)
1	MINING OF OTHER NON-FERROUS METAL ORES	191,866,000	30,196

#### THE TOP 10 COMPANIES BY AVERAGE MONTHLY COSTS PER EMPLOYEE IN THE INDUSTRY

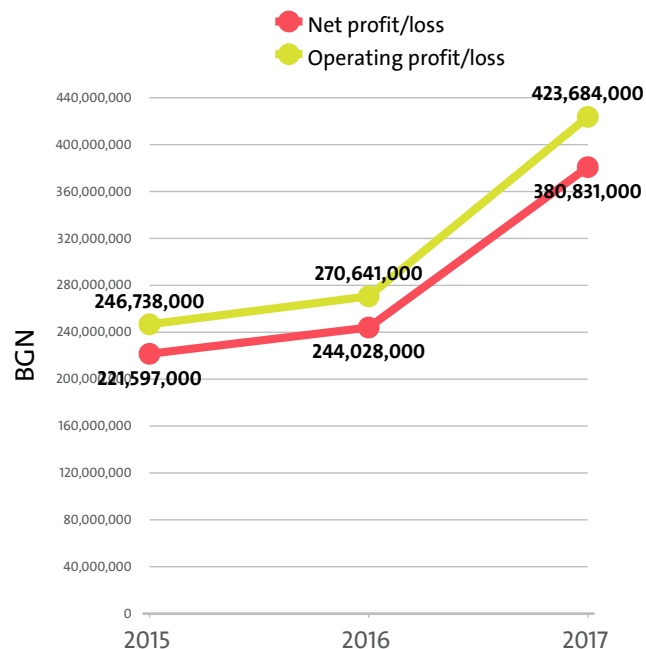
RANK	COMPANY	BGN
1	LUCKY INVEST AD	3,825
2	ASAREL MEDET AD	3,814
3	DUNDEE PRECIOUS METALS CHELOPECH EAD	3,382
4	LAKI INVEST GOVEDARNIKA EOOD	2,612
5	LAKY INVEST - DZHURKOVO EOOD	2,552
6	ELLATZITE-MED AD	2,290
7	BULGARIA ALFA EAD	2,250
8	LAKY INVEST EOOD	1,734
9	GORUBSO ZLATOGRAAD AD	1,730
10	MAYNING INVEST EOOD	1,562

The industry's tax expenses stood at BGN 42,853,000 in 2017. In 2016 it paid taxes of BGN 26,613,000. In 2015 the industry paid BGN 25,139,000 in taxes.



## V. PROFITABILITY

The industry's net profit amounted to BGN 380,831,000 in 2017, compared to a net profit of BGN 244,028,000 in 2016 and a net profit of BGN 221,597,000 in 2015.



#### TOP 10 COMPANIES BY HIGHEST NET PROFIT IN MINING OF METAL ORES

RANK	COMPANY	BGN
1	ELLATZITE-MED AD	146,992,000
2	ASAREL MEDET AD	102,939,000
3	DUNDEE PRECIOUS METALS CHELOPECH EAD	85,407,000
4	RODOPI ECO PROJECTS EOOD	12,791,000
5	VARBA - BATANTSI AD	12,790,000
6	LUCKY INVEST AD	5,386,000
7	LAKI INVEST GOVEDARNIKA EOOD	4,802,000

8	GORUBSO - MADAN AD	4,603,000
9	LAKY INVEST - DZHURKOVO EOOD	2,931,000
10	EUROMANGAN EAD	988,000

#### TOP COMPANIES BY HIGHEST NET LOSS IN MINING OF METAL ORES

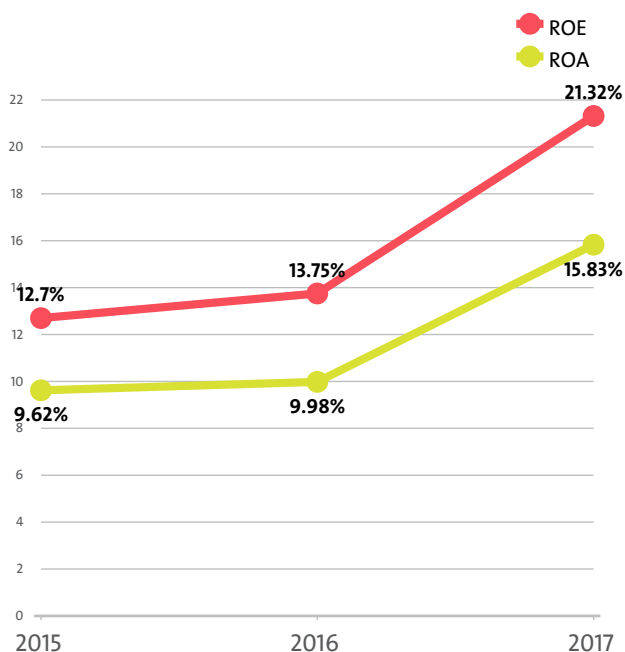
RANK	COMPANY	BGN
1	BULGARIA ALFA EAD	361,000
2	ZELENROK EOOD	108,000
3	ASAREL - EKSPLOREYSHAN EAD	36,000
4	GORUBSO LUCKY EAD	30,000
5	PANAGYURSKI MINI EAD	30,000

The combined operating earnings of the companies in the Mining of metal ores market rose by 56.55% y/y to BGN 423,684,000 in 2017.

The profit margin for the Mining of metal ores industry stood at 26.87% in 2017, while in 2016 it amounted to 19.19% and 19.38% in 2015.

The Mining of metal ores industry's return on equity (ROE) is 21.32% compared to 13.75% in 2016 and 12.70% in 2015.

The Mining of metal ores's return on assets (ROA) was 15.83%, while in 2016 it amounted to 9.98% and 9.62% in 2015.



#### TOP 10 COMPANIES BY HIGHEST AVERAGE NET PROFIT PER EMPLOYEE IN MINING OF METAL ORES

RANK	COMPANY	BGN	COMPANY HEADQUARTERS (CITY)
1	LUCKY INVEST AD	538,600	LAKI
2	RODOPI ECO PROJECTS EOOD	199,859	ZLATOGRAĐ
3	VARBA - BATANTSİ AD	104,836	MADAN
4	DUNDEE PRECIOUS METALS CHELOPECH EAD	95,855	CHELOPECH
5	ASAREL MEDET AD	85,144	PANAGYURISHT E
6	ELLATZITE-MED AD	82,812	MIRKOVO
7	LAKI INVEST GOVEDARNİKA EOOD	57,855	LAKI
8	LAKY INVEST - DZHURKOVO EOOD	17,446	LAKI

9	LAKY INVEST EOOD	7,243	LAKI
10	MAYNING INVEST EOOD	6,328	ELSHİTSA

About 40.00% of the 10 leading companies in terms of net profit per employee are located in LAKI, while 10.00% are MADAN-based and 10.00% are headquartered in MIRKOVO.

The average net sales revenue per employee in the Mining of metal ores industry amounted to BGN 240,131 in 2017, up by 21.14% compared to 2016 and up by 32.82% compared to 2015.

The industry's average operating revenue per employee increased by 18.06% year-on-year in 2017 to BGN 248,192. It grew by 31.73% compared to 2015.

The Mining of metal ores industry generated an average BGN 255,963 in total revenue per employee. In 2016 and 2015 the figure was BGN 215,137 and BGN 209,774, respectively.

The average total revenue per company in the Mining of metal ores industry increased to BGN 60,236,741 in 2017 from BGN 46,546,000 in 2016. The 2015 value was BGN 54,525,077.

A company in the Mining of metal ores market made on average a net sales revenue of BGN 56,510,815 in 2017, compared to BGN 42,887,290 in 2016 and BGN 46,991,769 in 2015.

The Mining of metal ores industry made 0.56% of the overall sales country-wide, rising its market share by 0.02 pp.

Operating profit per employee for the industry as a whole was BGN 66,680 in 2017. For comparison in 2016 it amounted to BGN 40,352 and BGN 40,352 in 2015.

#### THE TOP BY OPERATIONAL PROFIT PER EMPLOYEE IN MINING OF METAL ORES

RANK	COMPANY	BGN
1	LUCKY INVEST AD	565,200
2	RODOPI ECO PROJECTS EOOD	224,734
3	VARBA - BATANTSİ AD	116,492
4	DUNDEE PRECIOUS METALS CHELOPECH EAD	107,108
5	ASAREL MEDET AD	94,740

#### TOP 10 COMPANIES WITH HIGHEST CORRELATION OPERATING REVENUE - NUMBER OF EMPLOYEES - EMPLOYMENT EXPENSES\*

RANK	COMPANY NAME	CORRELATION (BGN)
1	LUCKY INVEST AD	3,626,900
2	RODOPI ECO PROJECTS EOOD	573,328
3	VARBA - BATANTSİ AD	459,336
4	DUNDEE PRECIOUS METALS CHELOPECH EAD	409,351
5	ELLATZITE-MED AD	276,674
6	ASAREL MEDET AD	272,017
7	LAKI INVEST GOVEDARNİKA EOOD	103,747
8	LAKY INVEST - DZHURKOVO EOOD	47,940
9	LAKY INVEST EOOD	47,636
10	MAYNING INVEST EOOD	40,172

\*The correlation is calculated by subtracting the quotient of the operating profit, and the employment expenses to the number of employees.

### AVERAGE REVENUES PER EMPLOYEE IN MINING OF METAL ORES IN 2017

SECTOR	AVERAGE NET SALES REVENUE (BGN)	AVERAGE OPERATING REVENUE (BGN)	AVERAGE TOTAL REVENUE (BGN)	NUMBER OF EMPLOYEES
MINING OF OTHER NON-FERROUS METAL ORES	240,131	248,192	255,963	6,354

### AVERAGE REVENUE PER COMPANY IN MINING OF METAL ORES IN 2017

SECTOR	AVERAGE NET SALES REVENUE (BGN)	AVERAGE OPERATING REVENUE (BGN)	AVERAGE TOTAL REVENUE (BGN)	NUMBER OF COMPANIES
MINING OF OTHER NON-FERROUS METAL ORES	56,510,815	58,407,889	60,236,741	27

The total indebtedness of the companies in the Mining of metal ores industry was BGN 494,366,000 versus BGN 562,168,000 a year ago. In 2015 the industry's indebtedness totalled BGN 456,522,000.

Debt-to-assets ratio of the companies in the industry is 0.21 in 2017. It was 0.23 in 2016 and 0.20 in 2015.

According to market experts, the greatest impact on the development of the Mining of metal ores industry has amortisation expenses. In 2017 it stood at BGN 128,421,000, according to the financial statements of the companies in the industry. In 2016 the figure was BGN 127,021,000 and BGN 119,417,000 in 2015.

## VI. EMPLOYMENT

A total of 6,354 people were employed in the Mining of metal ores industry at the end of 2017, compared to 6,707 in 2016 and 6,758 in 2015.

The analysis on companies' sizes by the number of employees, shows that 5 firms have less than 50 employees\*, 7 have between 50 and 250 employees\* and 6 companies employ more than 250\*.

*\* Companies without data in the number of employees at end of the year are not taken into consideration.*

The employees of the leading 10 companies when it comes to numbers make up 96.44% of the workforce in the industry in 2017.

### TOP 10 FIRMS BY SHARE IN INDUSTRY'S TOTAL NUMBER OF EMPLOYEES

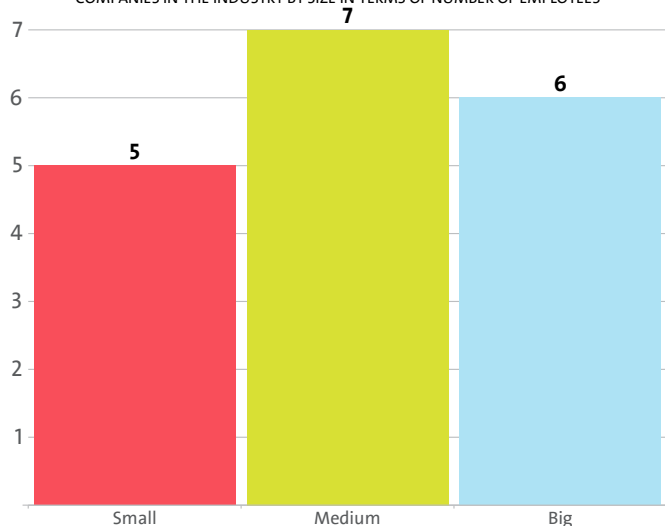
RANK	COMPANY	NUMBER OF EMPLOYEES	SHARE
1	ELLATZITE-MED AD	1,775	27.94%
2	ASAREL MEDET AD	1,209	19.03%
3	DUNDEE PRECIOUS METALS CHELOPECH EAD	891	14.02%
4	GORUBSO - MADAN AD	779	12.26%
5	GORUBSO KARDZHALI AD	434	6.83%
6	GORUBSO ZLATOGRAAD AD	394	6.20%
7	RUDMETAL AD	249	3.92%
8	LAKY INVEST - DZHURKOVO EOOD	168	2.64%
9	VARBA - BATANTSI AD	122	1.92%
10	LAKY INVEST EOOD	107	1.68%

The Mining of metal ores industry is the 57th largest employer in the country with 6,354 employees with the largest employer being Retail trade, except of motor vehicles and motorcycles with 200,534 and Extraction of crude petroleum and natural gas at the bottom with 27 employees.

The Mining of metal ores's share in the country's total employment was 0.27% in 2017, 0.35% in 2016 and 0.34% in 2015.

We expect, based on the trend in the last three years, the number of employees of the Mining of metal ores industry to change at a compound annual growth rate (CAGR) of -3.04% in 2018.

COMPANIES IN THE INDUSTRY BY SIZE IN TERMS OF NUMBER OF EMPLOYEES



# The industry is represented by the following companies

GORUBSO - MADAN AD
RUDMETAL AD
EUROMANGAN EAD
PANAGYURSKI MINI EAD
ASAREL MEDET AD
GORUBSO LUCKY EAD
MALINOV GOLD EOOD
RODOPI ECO PROJECTS EOOD
YURO MINERALS KORPOREYSHAN EOOD
ZELENROK EOOD
MAYNING INVEST EOOD
LAKY INVEST EOOD
LUCKY INVEST AD
KABIRI MINERALS EOOD EOOD
MBI - MEDET OOD
BULGARIA ALFA EAD
TSAR ASEN - 2 EOOD
GORUBSO KARDZHALI AD
LAKI INVEST GOVEDARNIKA EOOD
RESURS 1 AD
ELLATZITE-MED AD
GORUBSO ZLATOGRAAD AD
VARBA - BATANTSI AD
RIVAR 1919 EOOD
LAKY INVEST - DZHURKOVO EOOD
DUNDEE PRECIOUS METALS CHELOPECH EAD
ASAREL - EKSPLOREYSHAN EAD



# Do not hesitate to contact us

We'd be glad to discuss our services or your project in detail and help you come up with a solution.

Email us at [consulting@seenews.com](mailto:consulting@seenews.com)

Call us on **+359 2 80 12 630**

Live chat available at SeeNews.com

## Disclaimer

Whilst the information contained in this industry report has been given in good faith and every effort has been made to ensure its accuracy, SeeNews cannot guarantee the accuracy of this information and hereby expressly disclaims any responsibility for error, mis-interpretation and any and all loss, disappointment, negligence or damage caused by reliance on the information contained in the industry report or any failure or alleged failure in the delivery of the Service referred to herein, or in the event of bankruptcy, liquidation or cessation of trade in any company, individual or firm referred to herein. Confirmation of the information accuracy should be sought from the establishments concerned. Unless otherwise stated, the copyrights and any other rights in all material on this site are owned by SeeNews. Use of this industry report is provided by SeeNews subject to the following Terms and Conditions:

1. Use of this industry report constitutes your acceptance of these Terms and Conditions which take effect when you first use this industry report. SeeNews reserves the right to change these terms and conditions at any time by posting changes online. You are responsible for reviewing regularly information posted online to obtain timely notice of such changes. Your continued use of the industry report after changes are posted constitutes your acceptance of this agreement.

2. Neither SeeNews nor other related parties, whilst endeavouring to provide 24/7 availability, will be held liable if for any reason the industry report is unavailable at any time.

3. Access to this industry report may be suspended temporarily or permanently and without notice.

4. Whilst SeeNews endeavours to ensure that the information on this site is correct and up-to-date, no warranty, express or implied, is given as to its accuracy and SeeNews does not accept any liability for error or omission.

5. Part of this industry report contains materials submitted to SeeNews by third parties. Third parties are responsible for ensuring that materials submitted for inclusion on this industry report complies with national and relevant international law. SeeNews can not guarantee the accuracy of this material and hereby expressly disclaims any responsibility for error, omission or inaccuracy in the

material, misinterpretation and any all loss, disappointment, negligence or damage caused by reliance on the information contained in the industry report or any failure or alleged failure in the delivery of the services referred to herein, or in the event of bankruptcy, liquidation or cessation of trade of any company, individual or firm referred to herein. Confirmation of the information accuracy should be sought from the establishments concerned or from SeeNews upon explicit request.

6. SeeNews shall not be liable for any damages (including, without limitation, damages for loss of business or loss of profits) arising in contract, tort or otherwise from the use of or inability to use this industry report, or any data contained in it, or from any action or decision taken as a result of using this industry report or any such information.

7. SeeNews accepts no responsibility for the content of any site to which a hypertext link from this industry report exists. Such links are provided for your convenience on an "as is" and "as available" basis with no warranty, express or implied, for the information provided within them.

8. If any of these terms should be determined to be illegal, invalid or otherwise unenforceable by reason of the laws of any state or country in which these terms are intended to be effective, then to the extent and within the jurisdiction in which that term is illegal, invalid or enforceable, it shall be severed and deleted from the clause concerned and the remaining terms and conditions shall remain in full force and effect and continue to be binding and enforceable.

9. By accessing and reading any part of this industry report, you should have accepted these Terms in full.

All rights reserved. Downloads and print extracts of SeeNews are allowed for personal and non-commercial use only. Re-publication or redistribution of content, including by framing, is strictly prohibited without the prior written consent of SeeNews Ltd., Sofia, Bulgaria.