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Forbes: Metinvest Among the Largest Investors in Ukraine in 2022-2023



Forbes has launched a new rating covering Ukraine called “The 20+5 Largest Investors in the Country”. It looks at who has invested the most in business and economic development over the two years of full-scale war.

Editor’s note: The top 20 names in this ranking have invested UAH173 billion (US\$5 billion) in business development since the war began. Why is this important? Capital investments are not only about the development of companies, but also about the growth and future of an economy. In Ukraine, the share of investment in GDP averaged 15% for the five years before the war. The norm for so-called extended reproduction is 20% and above. Anything less means that an economy is consuming its own future. In fact, it indicates a slow decline in a country’s economic prospects. In Ukraine in 2023, this figure was 17%, thanks to business activity and significant government investment, primarily in defence.

Business in the country is gaining momentum: in 2023, the top 20 investors on the list increased CAPEX by 33%. Is that a little or a lot? At first glance, this is growth of

one third. On the other hand, nominal GDP increased by not much less: 25%.

The issue with the Ukrainian economy, which this rating highlights, is the small number of major investors. The 20 largest account for 25% of all CAPEX in the country. The second chronic issue is the lack of new foreign investments. The rating does not include any new foreigners, except for “aksakals” (elders) and mobile operators.

In addition to metal and energy producers, the top 20 of the ranking includes farmers, telecoms operators, retailers, logistics companies and even a petrol station chain. It’s worth remembering that investments by major businesses often generate sales for medium and small ones through construction contracts, installation, equipment supply and so on.

The picture would not be complete without Ukraine’s vast public sector. Forbes has added to its list the five most active investors among state companies. Over the past two years, they have invested UAH135 billion (US\$3.9 billion), which equals the total investment of the top 10 private companies.

Metinvest is number two in the ranking of the country’s largest investors

If Forbes had compiled this list in 2021, Metinvest would have been number one with a significant lead. That year was a record-breaking success for Rinat Akhmetov’s steel business, and US\$1.3 billion in capital investment reflected the Group’s ambitions. The war caused it direct losses of US\$3.5 billion: Azovstal and Ilyich Steel, its largest steel plants, were destroyed.

UAH 22.7 billion

Metinvest's CAPEX in 2022-2023

“The Group’s investment strategy focuses on preserving the operability of its assets”, said Metinvest’s press office. For this purpose, more than US\$300 million is allocated annually. During the war, the amount has totalled US\$659 million. The

press office noted that the Group is still working on the preparatory stages of key strategic projects.

In 2024, the Group's planned capital investments will remain at the level of the previous year, at around US\$319 million.

Top investment projects in 2023

- Launch of new longwalls at Pokrovske Coal
- Modernisation and repair of chambers at Kamet Steel and Zaporizhstal
- Energy projects