



Company name:
British Steel

Location:
*Based in Scunthorpe,
operates globally*

Sector:
Steel

Facility size:
£50m

Turnover:
*Bilateral receivables
facility*

British Steel secures £50m from Secure Trust Bank

Secure Trust Bank Commercial Finance provided the british institution with a £50m flexible facility to support as it plans to grow its production and sales volumes to maximise opportunities across the market.

The company

British Steel, which has existed for around 150 years, supplies premium long products around the world and has facilities across the UK and Europe. In March 2020, British Steel was acquired by Jingye Group, a distinguished Chinese multi-industrial company specialising in iron and steel manufacturing.

Following the acquisition, Jingye committed to making the business more competitive and sustainable. British Steel is currently developing new products to support the UK's infrastructure drive and is investing in its existing assets to modernise plants and improve performance. This includes the development of an Electric Arc Furnace in Teesside and the construction of a new power plant to improve efficiency of the Scunthorpe site.

The solution

The team from Secure Trust Bank Commercial Finance worked closely with British Steel and PwC to understand the company's challenges and opportunities, and created a flexible facility that can adapt to suit the changing need of the business.

The £50m working capital facility will be used to support the transformation of British Steel and will provide the necessary support to allow the business to increase its production and sales volume.

What they said

Alex Boul, Finance Director at British Steel, said:

" Jingye is investing £1.2bn in the transformation of British Steel and we're reassured to see Secure Trust Bank demonstrating such faith in our plans with this working capital financing agreement. In a competitive market it will provide the necessary support to our working capital, allowing us to grow our production and sales volumes in line with our investment plans."

John Gribbon at Secure Trust Bank Commercial Finance said:

" Secure Trust Bank is proud to be supporting British Steel at this exciting time. We immersed ourselves within the business and used our many years of experience to create the most suitable and flexible facility for this British institution.

" The new owner, Jingye, is committed to the business, and British Steel is set to benefit from further significant investment which will transform its performance in the coming months and years."

Our proposition

- **Service:** a reputation for working alongside advisors and investors
- **Insight:** our experience enabled us to understand the customers' business and the sector together with their future plans, ensuring our facility was tailored to meet the client's needs
- **Flexibility:** demonstrated through our bespoke legal structure, rapid turnaround times and increased understanding of the steel manufacturing sector
- **Access to decision makers:** we delivered on our terms by having an empowered team with access to decision makers, we were able to agree the security and documentation without delays and in a commercial manner