

Metinvest launches its first securitisation deal

Metinvest, the international vertically integrated group of steel and mining companies, has successfully launched an all-new accounts receivable securitisation programme for its Italian re-rollers, Metinvest Trametal and Ferriera Valsider, in the amount of EUR75 million.



Securitisation is a part of the Group's funding strategy aimed at enhancing its debt portfolio with instruments that will improve its credit profile, reduce the cost of debt and create a prudent framework for reliable, long-term working capital financing.

In the context of the securitisation, Metinvest Trametal and Ferriera Valsider will originate and sell, on a revolving basis, portfolios of trade receivables to a special purpose vehicle (SPV). The acquisition of the receivables will be financed through the issuance of EUR75 million in partially paid variable interest notes backed by the purchased receivables.

The notes will be subscribed by Coöperatieve Rabobank U.A. (Netherlands) through its asset-backed commercial paper (ABCP) conduit, Nieuw Amsterdam Receivables Corporation B.V. Finacity Corporation (US), as the deal's arranger, provided origination, analytic and structuring support and will serve as the ongoing administrator of the programme by providing certain reporting activities. Centotrenta Servicing S.p.A. will be responsible for certain monitoring and reporting services, compliance of the transaction with applicable laws and the prospectus and coordinating the administrative, accounting and tax compliance of the SPV.

Finacity Corporation is a member of the Greensill group of companies that specialises in the structuring and provision of efficient capital markets receivables funding programmes, supplier and payables finance, back-up servicing and programme administration. Finacity Corporation currently facilitates the financing and administration of an annual receivables volume of approximately US\$100 billion. With resources in the US, Europe and Latin America, Finacity Corporation conducts business throughout the world with obligors in 175 countries.

Allen & Overy has provided assistance to Metinvest Trametal and Ferriera Valsider in relation to all legal aspects related to the discussed transaction. Gattai, Minoli, Agostinelli & Partners has acted as drafting counsel assisting Coöperatieve Rabobank U.A. (Netherlands).

Yuriy Ryzhenkov, Chief Executive Officer, Metinvest:

"This landmark deal is part of our broader strategy to expand our customer base and provide additional, flexible solutions for financing sales in Europe. Securitisation also makes it possible to engage with new financial institutions that are eager to participate in the deal and provide additional liquidity to the Group. I would like to thank Rabobank for their long-term support of Metinvest and welcome Finacity Corporation as a new and important partner for us."

Adrian Katz, President, Finacity Corporation:

"This transaction marks our second successful trade receivable securitisation closing in Italy within the last year. We are very thrilled to enter into this new partnership with Metinvest, not only because of our role in this transaction, but we also hope to expand the relationship between our two firms."

<https://metinvestholding.com/en/media/news/metinvest-zaklyuchil-svoyu-pervuyu-sdelku-po-sekjurizacii>