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## Liberty Steel Faces Critical Financing Deadlines Across Europe

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The steelmaking assets of the embattled GFG Alliance, under its Liberty Steel banner, are teetering on the edge as critical financing deadlines loom in Romania and the United Kingdom. The precarious situation underscores the ongoing financial turmoil plaguing the conglomerate, with mills facing potential liquidation or restructuring under intense creditor scrutiny.

In Romania, the Liberty Steel blast furnace and basic oxygen furnace (BOF) mill in Galați has been granted a brief reprieve. A Romanian judge extended the deadline until early August 2025 for the mill to secure a restructuring deal with its creditors. According to a report by Ukraine-based GMK Centre, the Galați plant, idle for months, partially restarted operations in early July. While this might signal a flicker of hope, the move is not without cost. The restart is projected to inflate daily operational expenses to over £3.5 million, further straining the plant's fragile finances. GMK Centre notes that EximBank Romania and the National Fiscal Administration Agency, the mill's largest creditors, remain unconvinced by Liberty's restructuring proposals, with the latter steadfastly refusing approval. Additionally, Euro Insol, the plant's management company, has severed ties, leaving Liberty Galați grappling with debts reportedly exceeding £750 million.

In the United Kingdom, the stakes are equally high. On 16 July 2025, a liquidation deadline looms for Liberty Steel's UK assets, including the Speciality Steel UK (SSUK) electric arc furnace (EAF) mill in Rotherham and facilities in Sheffield. These sites, deemed strategically vital to the UK's economy and defence sector by Malaysia-based Lux Metal Group, are central to the nation's steel recycling and production capabilities. The prolonged financial and legal struggles of Liberty Steel and GFG, as detailed in Lux Metal's May 2025 analysis, have left these assets vulnerable.

Reports from The Guardian, penned by Kiran Stacey and Jasper Jolly on 11 July 2025, suggest that UK government ministers are exploring options to intervene and safeguard the SSUK mills. Business Secretary Jonathan Reynolds has not dismissed the possibility of nationalising the operations, a tactic previously employed at British Steel's BOF complex. However, such intervention raises concerns about the current Labour government's approach, which risks burdening taxpayers with the fallout of private sector mismanagement. Unlike the decisive action taken in Australia, where government involvement facilitated the restructuring of a Liberty BOF mill, or in France, where state intervention prompted the sale of a GFG aluminium plant later revitalised for recycling, the UK's response remains uncertain.

Liberty Steel's global track record offers little reassurance. In the United States, where government bailouts are less common, Liberty's operations have similarly faltered. The conglomerate's pattern of financial distress and operational instability continues to cast a long shadow over its future. As deadlines approach, the fate of these critical steelmaking

assets hangs in the balance, with creditors, governments, and industry stakeholders watching closely.