

12 June 2020

MITCHELLS & BUTLERS SECURES £100m CLBILS LOAN SAFEGUARDING 45,000 JOBS

Mitchells & Butlers has secured £100m of additional funding from HSBC UK and Santander UK as part of the Coronavirus Large Business Interruption Loan Scheme (CLBILS). The funding will support Mitchells & Butlers through the continued disruption of Covid-19 and help to secure the jobs of over 45,000 employees.

The funding was split equally between HSBC UK and Santander UK, and is one of the first CLBILS deals since the Government updated the scheme last month to allow loans of up to £200m.

As one of the largest operators of restaurants, pubs and bars in the UK, Mitchells & Butlers saw its 1,700 sites temporarily close at the start of lockdown – including household names such as Harvester, Toby Carvery and All Bar One. This vital loan ensures the business can continue operating as it prepares to reopen its sites in line with Government recommendations.

Tim Jones, CFO at Mitchells & Butlers, said: “We are grateful for the strong working relationships we have with our banking group enabling us to put together this support funding in uncertain times. As we come through the challenges posed by the abrupt shutdown of the hospitality sector we now look forward to welcoming back guests into our sites, where safety will clearly be of paramount importance.”

Akhil Shah, Relationship Director at HSBC UK, said: “The hospitality industry has been particularly hard hit by Covid-19 so providing this support for one of the UK’s largest operators marks an important step in the recovery of the sector. As restaurants, pubs and bars prepare to safely reopen, Mitchells & Butlers’ actions to protect jobs and support the industry’s supply chain provides some much-needed confidence in this crucial part of our economy.”

HSBC UK is working closely with the Government and UK Finance to identify emerging issues and make sure customers and businesses have the advice and support they need. For tips and advice for businesses around planning for any possible disruption, visit www.business.hsbc.com/novel-coronavirus.

HSBC UK’s package of support for business customers includes:

- Launched BBLS, CBILS, CLBILS and CCFF
- Allocated £5bn to help businesses that need support
- Removed the £100 Small Business Loan fee to relieve the pressure faced by SMEs across the country
- Removed informal overdraft fees – As of 1st April we will no longer apply any Informal Overdraft fees
- Offering repayment holidays to free up cash within businesses
- Stopped all unauthorised overdraft charges
- Reviewing overdrafts or trade loans to allow stock to be held for longer

- Offering companies involved in the supply and manufacture of ventilators preferential pricing, extended repayment terms on loans and fast track approval times to support the unprecedented demand on UK hospitals.
- We have also extended that support to customers that can give immediate help to essential public services and vulnerable people. We are contacting clients involved in the manufacture and supply of Personal Protective Equipment to offer preferential finance and, where possible, the direct purchase of supplies and equipment for essential public services.
- We will also offer similar terms to clients involved in the wholesale of food.
- Our relationship managers have been proactively contacting customers to see what help their businesses need.
- We've launched a coronavirus helpline to support any customer queries and a dedicated coronavirus hub on our website.
- For businesses trading internationally:
 - £3bn to importers and exporters that need additional support
 - pre-approved 60-day extensions on trade loans for customers with a sound trade loan/financing record
 - a one-hour turnaround on the issuance of Shipping Guarantees, enabling customers to transfer or receive goods from their counterparty faster
 - a dedicated helpline that connects directly with trade finance specialists (0800 783 1300, open 9am – 5pm Monday to Friday), in addition to the support being offered by relationship managers

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Notes to editors:

Media enquiries to:

Richard Chapman – richard.chapman@grayling.com - 07950 186 160

Mitchell & Butlers images can be downloaded from:

<https://www.mbplc.com/newsandmedia/mediaresources/imagelibrary/>

Email: UKPressOffice@hsbc.co.uk

For the latest news and updates, visit the HSBC UK newsroom:

<https://www.about.hsbc.co.uk/news-and-media>

HSBC UK

HSBC UK serves around 14.5 million customers across the UK, supported by 32,000 colleagues. HSBC UK offers a complete range of retail banking and wealth management to personal and private banking customers, as well as commercial banking for small to medium businesses and large corporates.

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. HSBC serves customers worldwide from offices in 64 countries and territories in our geographical regions: Europe, Asia, North America, Latin America,

and Middle East and North Africa. With assets of US\$2,918bn at 31 March 2020, HSBC is one of the world's largest banking and financial services organisations.

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