

# M & Co Trading Limited – Pre-Pack Restructure

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- **Background**

- Mackays Stores Limited – Clothing retailer established in Scotland 1961
- 265 stores principally in UK and Ireland and with international locations in UAE, Bahrain, Libya, Jordan, Czech Republic, Slovakia, Estonia, Romania, Guatemala
- UK stores in High Street locations
- 2700 employees (2500 in stores)
- Distress caused principally by COVID19 lockdown exacerbated by ongoing Brexit uncertainty

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- **Decision process and negotiation**
  - KPMG appointed to carry out review and report on options
  - Deloitte appointed to conduct sales process
  - Information Memorandum issued May 20
  - Following competitive bidding process and assessment of bids Newco afforded preferred bidder status
  - Extensive negotiations conducted by Newco with
    - existing lenders
    - proposed new lenders
    - Pensions Regulator
    - Deloitte
    - suppliers

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- **Completion of transaction and outcome**

- Deloitte appointed as administrators and sale completed August 20
- Over 2300 jobs saved
- Pension scheme rescued
- 219 stores transferred under Licences to Occupy
- New leases subsequently obtained generally under more favourable terms