

Ex-Greene King CEO drinks to new funds amid talks with lenders

A pubs industry veteran is drinking to his biggest shareholder after it injected new funding into his business amid talks with lenders.

Sky News understands that Oaktree Capital has in recent weeks committed millions of pounds to RedCat Pub Company, set up by Rooney Anand, which trades from roughly 120 venues.

An industry source said Oaktree had invested the additional capital following discussions between RedCat and its bank lenders.

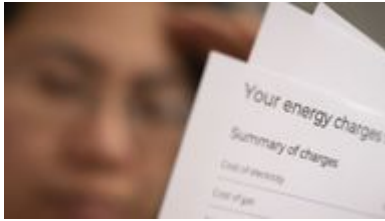
The precise sum was unclear on Friday, although a person close to RedCat denied that it was £20m.

Oaktree committed a £200m war chest to the pubs start-up early last year when Mr Anand, the former boss of Greene King, established the new venture.

A company insider said it had “grown strongly since inception” and now had an enterprise value – comprising its equity and debt – of approximately £250m.

RedCat has a target of being valued at as much as £500m on an enterprise value basis in the near term.

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It has acquired pubs from a number of industry players, snapping up a portfolio of 40 venues from the industry leader Stonegate Group last year.

The injection of funding into Mr Anand's company comes as the pubs industry struggles to contend with the impact of soaring energy bills and weakening consumer sentiment.

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A spokeswoman for RedCat declined to comment.