

Former Comet owner joins race for £400m Matalan takeover

A controversial former owner of Comet, the defunct electricals chain, is among the suitors vying to take control of Matalan, the value-based retailer.

Sky News understands that OpCapita, which is led by Henry Jackson, is expected to table an indicative proposal to buy Matalan before a bid deadline on Friday.

OpCapita attracted opprobrium a decade ago when it briefly owned Comet, saw it collapse and then recouped tens of millions of pounds even as taxpayers were saddled with a £70m bill.

Since then, it has expressed interest in buying British retailers including Homebase and Majestic Wines, although its solitary current UK-based investment is The Football Pools.

Its interest in Matalan pits it against rival investment firms including Alteri, which is backed by Apollo Global Management, and John Hargreaves, Matalan's founder, who is expected to be backed by the feared activist investor Elliott Advisors.

[Mike Ashley](#), the Frasers Group tycoon, is also reported to be preparing an offer for Matalan.

Matalan, which was founded by Mr Hargreaves in 1985, faces a deadline next year to refinance £350m in debt.

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It also took a £60m loan from Bantry Bay – in which Elliott owns a stake – as it sought to strengthen its balance sheet ahead of what threatens to be a prolonged slump in consumer sentiment.

Based in Liverpool, Matalan employs more than 11,000 people and trades from 230 UK stores.

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It also operates an e-commerce platform and has more than 50 overseas franchise stores.

The company claims to have 11 million customers.

Like many of its peers, the chain found its finances severely strained by the pandemic, prompting the Monaco-based Mr Hargreaves to provide substantial financial support.

In recent months, global inflationary pressures have impaired margins, while supply chain challenges have had an impact on stock availability.

Matalan warned during the summer that its “ability to successfully refinance our debts involves geopolitical, economic and market factors outside the direct control of the business”.

Mr Hargreaves recently stepped down after a brief return as Matalan’s chairman in order to participate in the bidding process.

The Hargreaves family is being advised by Lazard, while Teneo is handling the sale and Perella Weinberg Partners is advising the first-lien – or senior – lenders.

OpCapita declined to comment.