

Superdry wins reprieve as M&G drops challenge to rescue plan

Superdry, the struggling London-listed fashion chain, has received a reprieve after the owner of its flagship store towed back from a challenge to its rescue plan.

Sky News understands that M&G, the asset manager which had been contemplating a formal objection to Superdry's restructuring plan, has decided not to proceed with the move.

M&G owns Superdry's Oxford Street store and had engaged lawyers from Hogan Lovells, the City law firm, to scrutinise the proposals.

City sources said that British Land, which owns a handful of Superdry stores, would abstain on the restructuring plan, but had also opted against a formal challenge.

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The rescue deal, which will incorporate steep rent cuts for a number of landlords but avoid store closures in the UK, will be accompanied by a multimillion pound funding injection from founder Julian Dunkerton.

The property groups are believed to have been alarmed by the absence of their participation in a mechanism to allow creditors to benefit from any future recovery in the retailer's performance.

In a statement, a spokesman for the retailer said: "We continue to engage with our landlords regarding our proposed

Restructuring Plan, which is vital for the future of the business.”

Shares in Superdry were trading in London at just 4.45p, giving the company a market capitalisation of less than £40m.

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If the restructuring plan is successful, its shares will be delisted.

M&G and British Land declined to comment.

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