

Debenhams Group

boohoo to acquire certain assets of Debenhams UK following completion of current stock liquidation and store closure programme

News Release | 25 January 2021

The administrators of Debenhams UK, FRP Advisory, confirm that boohoo group plc has signed an agreement to buy the Debenhams brand and other business assets including all the in-house brands and websites; which will take full effect following the completion of the current stock liquidation programme, which is continuing online.

A thorough and robust process has been undertaken by the administrators to achieve the best outcome for Debenhams' stakeholders. This transaction will allow a new Debenhams-branded business to emerge under strong new ownership, including an online operation and the opportunity to secure an international franchise network that will operate under licence using the Debenhams name. The transaction does not affect Magasin du Nord in Denmark, which continues to operate independently.

boohoo group plc has paid a cash consideration of £55million to acquire the global rights to Debenhams brands and its websites. Once Debenhams stores are able to reopen and the stock liquidation can continue in stores, the website will be operated by boohoo. The closing down sale will continue in stores for several weeks until the stock liquidation is completed and the value of this stock will be retained for creditors. Regrettably, all the UK stores will then be permanently closed.

Geoff Rowley, Joint Administrator and Partner of FRP Advisory, said:

"We are pleased to have secured the future for this great brand, and to have created the opportunity for a new Debenhams-branded business to emerge in a different shape beyond the pandemic. I expect that the agreement with boohoo may provide some job opportunities but we regret that this outcome does not safeguard the jobs of Debenhams' employees beyond the winding down period. We are very grateful that they have worked tirelessly through this very challenging period and will continue to support the closing down sale. I'd also like to thank the management team, who have worked very hard throughout to protect the business and support us in delivering the best outcome for stakeholders."

-ENDS-

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