

7 November 2024

**boohoo group plc**

("boohoo", the "Group" or the "Company")

**Response to Frasers Group plc**

The board of boohoo Group plc (the "Board") notes the announcement and accompanying open letter issued by Frasers Group plc ("Frasers") on 6 November 2024 .

The Company announced on 18 October 2024 that it had commenced a process to unlock and maximise shareholder value through a review of options for the Group's main divisions. The Group is only at the start of the process of determining what options maximise value for all shareholders and will maintain high standards of corporate governance as it undertakes this process. The Board believes that boohoo is fundamentally undervalued and that this process is the best way to serve all shareholders.

In the interim results, the Company intends to provide more details to shareholders of our core brands. The Board expects that the ongoing review of options will take several months, and the Board will update shareholders with full transparency at the appropriate times.

The Board remains committed to open and transparent engagement with all of its shareholders, including Frasers and that it is fully aware of, and is continuing to act in accordance with, its duties. The Board is also committed to ensuring it takes the right steps to drive the Group in the interest of all shareholders and not just Frasers' self-interest.

In its announcement of 24 October 2024, the Board noted that while it remains willing to discuss board representation with Frasers in a constructive manner, it has been clear with Frasers that it will only offer a seat for an appropriate non-executive director and that before any appointment can be made, appropriate governance controls will be required to protect the Company's commercial position and the interests of all other shareholders.

boohoo has repeatedly sought assurances from Frasers in this regard and none have been provided. boohoo has also repeatedly asked for, and has been promised, non-public information in relation to Mike Ashley's interests and role in competing businesses. This information has not yet been provided either.

Alongside the open letter, Frasers sent a separate letter to the Board, which Frasers has chosen not to publish. In that letter, Frasers agreed to a meeting with boohoo to discuss Frasers' concerns in relation to any potential disposals of assets and the Board's concerns in relation to Frasers' request for board representation. This meeting was suggested by boohoo to Frasers last week and the Board is therefore disappointed that Frasers omitted to mention this meeting in their open letter, which was therefore inaccurate and misleading.

The Board wishes to make clear its concerns in relation to Frasers behaviour:

1. Frasers is not an independent shareholder in the Group, focused solely on the value of its investment. It is a trade competitor that is seemingly focused on its own commercial self-interest. Many of Frasers' brands compete with the Group's brands, including boohoo, PrettyLittleThing and Karen Millen. Debenhams is also a leading competitor of House of Fraser, and Frasers was the largest shareholder in Debenhams prior to it being acquired, as well as being a competing bidder when boohoo acquired Debenhams in 2021.
2. Frasers is also a large shareholder in ASOS plc, which competes with boohoo's brands. Frasers also has a well-publicised history of making significant investments in other UK retailers which also compete with boohoo.
3. The Board considers it wholly inappropriate for Frasers to seek to leverage its significant shareholding in boohoo and other UK retailers to promote its own commercial self-interest, such as Frasers PLUS, at the expense of the other shareholders and will take all steps necessary to protect its commercial position and shareholders best interests.

In order to ensure that all shareholder interests in boohoo are protected, the Board also wishes to make clear, for the avoidance of any doubt, the commitments it will require from Frasers before it will agree to board representation. The Board is mindful that both Frasers and boohoo have subsidiaries regulated by the FCA, and the Company has to take into account all shareholders when considering conflicts of interest.

Proactively, and with the Group's corporate governance framework squarely in mind, Mahmud Kamani, boohoo's other major shareholder (who, together with his family and related family trusts, is interested in approximately 23.21% of the Company's issued share capital) has confirmed that he has no intention to make an offer for boohoo and will provide the Board with the same assurances it is seeking from Frasers once Frasers have agreed to provide them.

This sends a clear message that Mr. Kamani's interests are entirely aligned with maximising value on behalf of all shareholders.

The Board calls on Frasers, Mike Ashley and Mike Lennon, or any other potential Frasers' representative, to do the same or to explain why they are unable or unwilling to give these commitments.

These commitments, which reflect basic standards of acceptable corporate behaviour, are as follows:

- i) representations and undertakings from Frasers and its nominated director to the effect that the nominated director has no involvement in the commercial decision making of any competitor of boohoo and will not share any commercially or competitively sensitive information with any other party;
- ii) an indemnity from Frasers in relation to any loss that boohoo suffers if these representations and undertakings above are breached;
- iii) an undertaking from Frasers that any transactions involving boohoo and Frasers are conducted on arm's length commercial terms with its nominated director playing no role in related board discussions or decision making;
- iv) a statement from Frasers that it has no intention to make an offer for the company or to purchase any of its assets;
- v) an undertaking that for so long as Fraser's nominee sits on the Board and for up to 12 months after such date as they leave the board, Frasers will not, without the unanimous agreement of the Board:
  - announce an offer or possible offer for boohoo or purchase or seek to purchase any of its assets
  - acquire any boohoo shares, debt or other securities;
  - seek to merge boohoo with a competitor;
  - take any action which might reasonably be expected to result in boohoo being unable to operate as an independent business;
  - seek to disrupt the commercial strategy of boohoo;
  - seek the appointment of any other nominee to the board of boohoo;
  - requisition any general meeting of boohoo.

The Board believes that the Group is fundamentally undervalued and looks forward to unlocking and maximising shareholder value through the review of its options. The Board is absolutely focused on maintaining high standards of corporate governance, as can be seen by the commitments the Board is seeking and have been offered by Mr. Kamani. It stresses to Frasers that their continual legal letters and public posturing are not conducive to maximising value for all shareholders, and encourages them to enter into constructive discussions with the Board.

#### **Enquiries**

##### **boohoo group plc**

Stephen Morana, Chief Financial Officer

Tel: +44 (0)161 233 2050

Mike Cooper, Head of Investor Relations

Tel: +44 (0)161 233 2050

##### **Zeus - Joint Financial Adviser, Nominated adviser and Joint Broker**

Nick Cowles / Dan Bate / James Edis

Tel: +44 (0)161 831 1512

Benjamin Robertson

Tel: +44 (0)20 3829 5000

##### **HSBC - Joint Financial Adviser and Joint Broker**

Anthony Parsons / Alex Thomas / Chloe Ponsonby / James Hopton

Tel: +44 (0)20 7991 8888

##### **Headland - Financial PR Adviser**

Simon Munn, Managing Director

Tel: +44 (0)20 3705 7511

**Takeover Code**

The statement from Mahmud Kamani that he has no intention to make an offer for boohoo is a statement to which Rule 2.8 of the Code applies.

Under Note 2 on Rule 2.8 of the Code, Mahmud Kamani and any person(s) acting in concert with him, reserve the right to make or participate in an offer or possible offer for boohoo and/or take any other action which would otherwise be restricted under Rule 2.8 of the Code within six months of the date of this announcement in the following circumstances:

- a) with the agreement of the Board;
- b) following the announcement of a firm intention to make an offer for boohoo by or on behalf of a third party;
- c) following the announcement by boohoo of a Rule 9 waiver proposal (as described in Note 1 of the Notes on Dispensations from Rule 9 of the Code) or a reverse takeover (as defined in the Code); or
- d) where the Panel on Takeovers and Mergers has determined that there has been a material change of circumstances.

**About boohoo group plc****"Leading the fashion eCommerce market"**

Founded in Manchester in 2006, boohoo group is a fashion forward, inclusive and innovative business. The Group's brands are complementary, vibrant and scalable, delivering inspirational, on-trend fashion to our customers 24/7. The diversity of our brands, including the group's 5 core brands, boohoo, boohooMAN, PrettyLittleThing, Karen Millen and Debenhams, enable us to serve a broad customer base, globally, with a primary focus on the UK and US markets. Since its acquisition in 2021, Debenhams has been transformed from a retailer into a digital marketplace with a capital-light, low-risk operating model and a focus on fashion, beauty as well as home. Boohoo group is concentrated on driving sustainable, profitable growth with technology and automation increasing efficiency across the business.

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