

## NOTICE TO SHAREHOLDERS OF DEBENHAMS PLC

9 April 2019

Ref: CG/LR/NR/MM

Direct Email: [debenhamsplc@fticonsulting.com](mailto:debenhamsplc@fticonsulting.com)

Dear Sir/Madam,

**Debenhams plc (In Administration) ("the Company")****Company Number: 05448421**

I confirm that Simon Kirkhope, Andrew Johnson and I were appointed as Joint Administrators of the Company at 9.56 a.m. on 9 April 2019. An RNS announcement has also been made today to notify of our appointment.

Immediately following our appointment, we sold the Company's shares in Debenhams Group Holdings Limited, the top holding company for the Group's principal operating companies, as well as certain dormant entities, together constituting the Company's entire interest in the Debenhams group companies ("the Group") to Celine UK Newco 1 Limited ("Newco"), an entity owned by certain of the Company's secured lenders (the "Transaction").

I have a duty to provide all creditors with the Joint Administrators Statement of Insolvency ("SIP") 16 disclosure, this sets out the justification behind the Transaction and why it provides the best outcome for creditors.

We are also making our SIP16 disclosure available to shareholders on the following website: <http://www.fticonsulting-emea.com/cip/debenhams-plc>. Further statutory reports and information on the administration will also be made available on this website.

**Shareholder Position**

The Group has been sold for a price which in our opinion is the best price reasonably obtainable at the time of sale. However, as explained further within our SIP16 disclosure, the Transaction included provisions to ensure that the Group is immediately marketed for onward sale. This will determine for the Company's benefit whether there is a bidder, with the benefit of a marketing process run on a stabilised platform, that would buy the Group for a price that would repay the financial debt and secured pension liabilities in full and thus potentially yield a return for the benefit of shareholders.

At this stage, we would expect that any surplus flowing to the Company from a sale which repays all debt would flow largely to shareholders, although there would need to be a liquidation process of the Company to advertise for any creditor claims which, if they materialised, would rank ahead of shareholders.

We are required to deliver our proposals within 8 weeks of appointment. An update on the marketing process will be provided in the proposals document, which will also be placed on: <http://www.fticonsulting-emea.com/cip/debenhams-plc>.

## **Listing Status**

The Financial Conduct Authority and London Stock Exchange has been notified of our appointment.

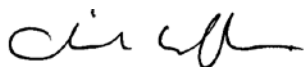
Trading in the shares of the plc will be suspended at 8.00 a.m. this morning. The administrators have requested the cancellation of the plc's ordinary shares from listing on the premium segment of the Official List of the Financial Conduct Authority and from trading on the main market for listed securities maintained by the London Stock Exchange plc. Cancellation is expected to take place at 8.00 a.m. on 10 April 2019.

## **EGM**

We note that on 21 March 2019, a general meeting of the Company's shareholders was requisitioned by Sports Direct International plc under section 303 of the Companies Act 2006 (the "EGM"). The EGM was requisitioned for the purpose of voting on resolutions seeking the removal of all the Company's directors except for Rachel Osborne, and the appointment of Michael Ashley as Chief Executive Officer of the Company. The last date for calling the EGM was 11 April 2019 and, at the time of the Joint Administrators appointment, it has not yet been called.

The administration appointment and the Transaction has superseded the EGM, and therefore the EGM will not be held.

Yours faithfully,  
For and on behalf of the Company



**Chad Griffin**  
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators. The Joint Administrators act as agents of the Company and without personal liability.

Chad Griffin, Simon Kirkhope and Andrew Johnson are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales, under section 390A(2)(a) of the Insolvency Act 1986