

# French Connection sold in deal valuing business at £29m after years of losses

French Connection has been sold to a consortium including its second-largest shareholder in a deal valuing the fashion chain at £29m.

The company – best known for its FCUK branding during the 1990s and early 2000s – said it had accepted a 30p-per-share offer from UK-based apparel industry entrepreneurs Apinder Singh Ghura and Amarjit Singh Grewal, as well as holding company KJR Brothers Ltd.

It represented a 30% premium to the share price when news of the bid was first revealed last month.

French Connection said Stephen Marks, who founded the company 49 years ago and remains its top shareholder with a 41.5% stake, would retire from his role as chairman once the sale was completed.

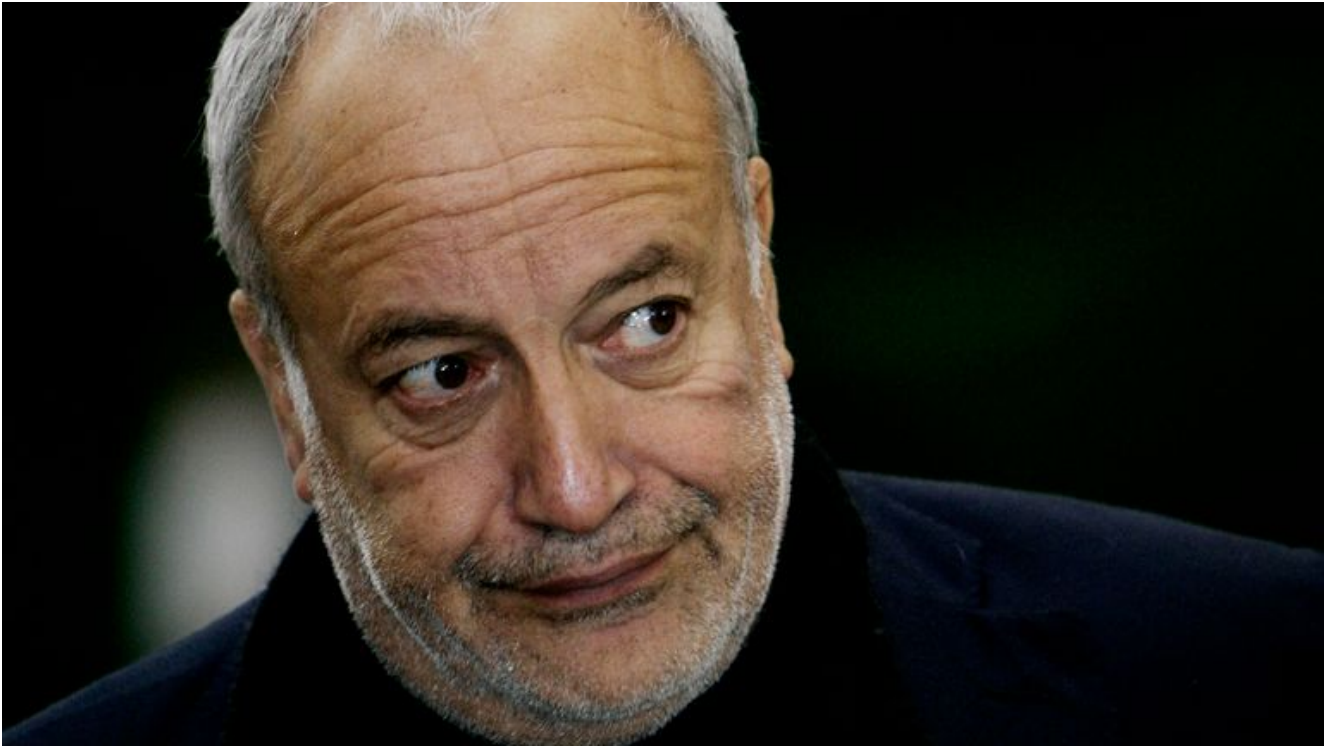


Image:

Stephen Marks founded the company in 1972

Sky News revealed in 2018 how [Mr Marks had been looking for an exit](#) through a possible sale after years of losses but failed to reach a deal with potential suitors.

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French Connection – which has 150 stores and concessions globally – began seeking new buyers earlier this year as it struggled to recover from the effects of the [COVID-19](#) pandemic that saw revenue fall by 40% in its last financial year.

However, investment firms Spotlight Brands and Gordon Brothers pulled out of early talks to buy the company.

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Mr Marks said: “Over the last five years, French Connection has made significant progress in its plans to rationalise the size of its store portfolio and to return the French Connection Group to profitability.

“It was always our intention to look at the most appropriate ownership structure for the business once it was back on track, and, having conducted a formal sale process, the French Connection board has concluded that the offer being made by MIP is fair and reasonable.”

He added: “When the transaction closes, I will retire from French Connection. This is an appropriate time for me to step back from the business that I founded in 1972, and I would like to take this opportunity to thank all our people for

their contribution to our achievements over the years. I wish them all every success in the future.”