

High street tycoon Ashley to sell Missguided to Asian giant Shein

Mike Ashley, the high street billionaire, is in talks to sell the online clothing label Missguided to Shein, the giant Chinese-founded online fashion player.

Sky News has learnt that the two sides are in detailed negotiations about a deal, which would represent Shein's first acquisition of a British fashion brand.

City sources said that Shein and Frasers had been in discussions for several weeks about a transaction, and it was unclear how soon it might be announced or whether there was a risk of it falling apart.

One added that the deal was likely to encompass Missguided's brand and other intellectual property, with its head office retained by [Mr Ashley's](#) company.

If completed, it would be a big step – albeit for a modest financial outlay – for Shein, which was founded in China and was valued until recently at more than \$100bn (£81bn).

At that point, it was worth more than H&M and Zara's parent company, Inditex, combined.

A more recent funding round, which took place earlier this year, is reported to have valued Shein at about \$66bn (£53bn).

Now headquartered in Singapore, the company has thinly disguised ambitions of going public in the US in the next 12 months, and is lining up investment banks to handle an initial public offering.

Shein, which was founded in 2012, now operates in more than

150 countries.

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Image:

Shein operates in more than 150 countries. Pic: AP

Last month, Shein struck a deal with SPARC Group, a joint venture between the Ted Baker-owner ABG and Simon Property Group, a US shopping mall operator.

Under that deal, SPARC's Forever 21 fashion brand gained distribution on the Shein platform, which boasts 150 million users globally.

Shein acquired a one-third stake in SPARC Group, while SPARC Group also took an undisclosed minority interest in Shein.

One source said it was conceivable that the talks between Shein and Frasers Group result in a comparable partnership structure, with key details still to be finalised.

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Missguided was founded by Nitin Passi in 2008, and became known for extraordinary and at-times controversial stunts such as a £1 bikini offer.

It attracted investment from Alteri Investors in late 2021, but crashed into administration in the spring of last year amid mounting losses.

Boohoo Group was among the other suitors for the Missguided brand before Frasers swooped to buy it out of insolvency.

Under Michael Murray, its new chief executive and Mr Ashley's son-in-law, Frasers has sought to re-engineer its retailing strategy.

The group owns brands as diverse as Evans Cycles, GAME, Gieves & Hawkes, House of Fraser, Jack Wills and Sports Direct.

Frasers also owns Missy Empire and ISawItFirst, two other female-focused, digitally-led fashion brands, leading it to conclude that Missguided is not central to its ambitions in that area of the clothing market, according to one source.

This weekend, Frasers and Shein declined to comment.