

Press Release 18 March 2009

UNPACKAGED HOLIDAYS LIMITED (IN ADMINISTRATION) - Sale

Conrad Beighton and Stephen Ryman, both of Shipleys LLP, were appointed Joint Administrators of Unpackaged Holidays Limited on 17 March 2009. The Company was put into Administration by its Board of Directors who recognised that it could no longer meet its liabilities as they fell due.

Based in Birmingham, the company trades under the well known and respected brand Seligo, primarily selling hotel accommodation to travel agents. It got into difficulty as a result of the shift in the market away from "dynamic" packing to more traditional forms of package holiday, exacerbated by the decline in the value of sterling against the US dollar and the Euro.

The directors of the company recently approached Shipleys LLP regarding the company's financial position and the options available to it. The difficulties facing the travel industry at this time are well documented and, with a reduced margin in forward bookings and the current economic conditions the company was unable to secure further funding. A Notice of Intention to Appoint Administrators was filed on 6 March 2009 to provide temporary protection from creditors and allow time to market the business.

Specialist agents were instructed to value the business and advise on the most appropriate marketing strategy.

Despite some interest only one firm offer was received. The offer from The Travel Club Limited included the purchase of the tangible and intangible assets of the business for more than the agent's valuation. Under the terms of the offer, all forward bookings where deposits had been received prior to the appointment of the Administrators will be honoured which minimises the potential for booking cancellations with customers.

The Administrators have accepted the offer from The Travel Club Limited. This ensures that the majority of the employees' jobs have been preserved which may not have been the case if the various assets of the business had been sold to a number of different purchasers.

Conrad Beighton, Corporate Recovery Director at Shipleys LLP and Joint Administrator of Unpackaged Holidays said:

"Given the current economic situation, the competitiveness within the industry and the lack of gross margin in the Company's forward bookings, the business had a minimal value and this was reflected in the level of interest from potential purchasers. An offer recommended by my agents has been accepted which ensures that a number of jobs have been saved and existing bookings will be honoured, so that customers should not lose their deposits."

A representative of The Travel Club Limited said:

"The Travel Club Ltd occupies a different niche in the travel market. It sells a limited and partly exclusive range of packaged accommodation direct to customers on its own database which has been built up over more than 50 years. As a result of this acquisition, The Travel Club Limited has secured the employment of staff and ensured future bookings for customers will be honoured."

Press enquiries please contact:

Conrad Beighton
Corporate Recovery Director
Shipleys LLP

Stephen Ryman
Principal
Shipleys LLP

T 0121 698 8566
F 0121 698 8600

T 020 7312 0000
F 020 7312 0022