# MaxiDeals Group enters voluntary liquidation as retail sector faces turmoil



MaxiDeals Group, a discount retailer that launched in 2020, has abruptly closed all its stores and entered voluntary liquidation as of 18 February 2024, according to official documents from Companies House. The group, which operated 24 stores throughout the UK, had positioned itself as a competitor to established chains like Poundshop and Poundstretcher, offering a range of products from food and drink to household items and health and beauty products.

The first MaxiDeals store opened in Hinckley, Leicestershire, followed by additional locations in Erdington, Stourbridge, Melton Mowbray, Chesterfield, Mansfield, Dudley, and Newark. The sudden closure comes on the heels of an individual shop in Bromsgrove shutting down unexpectedly last month. The decision to wind up the company was based on decisions made by shareholders, with wholesaler and importer firm J&E Group Ltd. holding the majority stake in the company.

Paul Mathers and Dihong Zhang served as directors of MaxiDeals Group. Mathers, who previously held a director role at Poundstretcher, stated to The Grocer that the company ceased trading "very suddenly" due to a challenging retail environment marked by rising costs. Reflecting on the company’s journey, Mathers noted that the startup had opened 24 stores, despite launching at the onset of the Covid outbreak.

In a broader context, the retail sector is experiencing significant challenges, with over 13,000 high street stores closing in the past year – a 28% increase from the previous year. Experts are predicting even more closures in 2024 due to tax hikes and rising costs anticipated following the recent Budget announcements.

Amidst these developments, New Look, the high street fashion retailer, also announced the impending closure of two stores in the UK. The stores located in St Austell and Team Valley Retail World will shut down on 4 and 9 March 2024, respectively. New Look has been holding clearance sales as it prepares to exit these locations, offering deeply discounted items, including tops for £3 and dresses for £5.

The closures, which are part of New Look’s liquidation process concerning its Irish operations, will impact approximately 350 jobs. The retailer entered the Irish market in 2003 but has faced sustained losses, attributed to difficult market conditions and rising costs. A 30-day consultation process for staff will commence, and discussions about redundancy terms are expected as the company winds down its operations in Ireland.

In light of these developments, a spokesperson for New Look stated that the decision to liquidate its Irish branch is due to an increasingly volatile trading environment, which prompted a strategic review that found it unviable to continue operations in that market. Despite these challenges, the company expressed confidence in its UK market presence and intends to focus on strengthening its offerings within that sector.

Both companies' stories reflect the ongoing struggles faced by retailers in the UK as they navigate a challenging economic landscape shaped by rising costs and changing consumer behaviour.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.thegrocer.co.uk/news/discount-chain-maxideals-goes-into-liquidation/701399.article> - This article corroborates the sudden closure and voluntary liquidation of MaxiDeals, highlighting its challenges in a tough retail environment and rising costs. It also mentions the company's history and its role as a competitor to established discount chains.
* <https://www.gbnews.com/money/store-closures-retailer-reeves-tax-raid> - This article supports the claim that MaxiDeals' closure is part of a broader trend of store closures in the UK, exacerbated by upcoming tax changes and rising costs. It also provides context on the economic pressures affecting retailers.
* <https://find-and-update.company-information.service.gov.uk/company/12373388> - This Companies House page confirms MaxiDeals Group Ltd.'s status as being in liquidation and provides details about the company's registration and history.
* <https://www.thegrocer.co.uk/news/discount-chain-maxideals-goes-into-liquidation/701399.article> - This article further supports the information about MaxiDeals' operations, including its product range and the role of J&E Group as its parent company.
* <https://www.gbnews.com/money/store-closures-retailer-reeves-tax-raid> - This article provides additional context on the economic challenges faced by retailers, including tax hikes and their impact on businesses like MaxiDeals.
* <https://www.noahwire.com> - This source is mentioned as the original article's source but does not provide direct corroboration. However, it is referenced as part of the narrative about MaxiDeals and New Look's challenges.
* <https://www.dailymail.co.uk/money/markets/article-14437899/Bargain-shop-billed-Poundshop-rival-collapses-sudden-crisis-24-UK-stores-closing.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data