

Missguided on the brink of collapse a month after cutting jobs and Nitin Passi quit as CEO with suppliers owed millions

Online fashion giant Missguided is on the brink of collapse a month after cutting 63 jobs and its founder [stepping down as chief executive](#).

The Manchester-headquartered company appointed Teneo “to explore strategic options for the business” [in April](#) but has now been issued a winding-up petition by suppliers owed millions.

The company is now understood to be lining up administrators from Teneo for a potential insolvency process.

[READ MORE: The top team leading Missguided after founder Nitin Passi quit as CEO](#)

Police were called to the retailer’s Manchester headquarters after suppliers turned up earlier this week demanding overdue payments be made, according to reports by The i.

On May 10, a winding-up petition was issued against Missguided by clothing supplier JKS Fashions.

Creditors have applied for compulsory liquidation and a Manchester court is due to hear the case in July.

The newspaper said three suppliers for Missguided warned they are at risk of going bankrupt due to outstanding payments.

Last autumn, the company was saved in a takeover by investment

firm Alteri which announced redundancies in December as part of a turnaround plan.

A spokesman for the company said: “Missguided is aware of the action being taken by certain creditors of the company in recent days, and is working urgently to address this.

“A process to identify a buyer with the required resources and platform for the business commenced in April and we expect to provide an update on progress of that process in the near future.”

Teneo recently led the sale of Studio Retail Group to Mike Ashley’s Frasers Group [after it had fallen into administration.](#)

Missguided was founded by Nitin Passi in 2009 and sold a 50% stake to Alteri Investors towards the end of 2021.

The London-based investor, which itself is backed by the private equity giant Apollo Global Management, also has stakes in Lancashire-headquartered Bensons for Beds.

In March, BusinessLive reported that Missguided had launched a 45-day consultation [which put 140 jobs at risk.](#)

In its most recently available accounts, for the 12 months to the end of March 2020, the company achieved a turnover of £201.9m and pre-tax losses of £8.2m.

The Trafford Park-headquartered company is due to file its next set of accounts by the end of June.

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