

Electric vehicle leasing group Onto collapses after L&G pulls plug

An electric car leasing company which raised tens of millions of pounds from backers such as Legal & General (L&G) has crashed into administration.

Sky News has learnt that Onto Holdings, which secured new capital injections as recently as three months ago, called in Teneo Financial Advisory earlier on Monday.

Onto, which had been [running a sale process with advisors at Deloitte in recent weeks](#), had assembled a fleet of 7,000 EVs and a subscriber base of 20,000 customers.

Sky News revealed during the summer that [L&G had notified Onto that it would not commit further funding to the business](#).

L&G committed £22.5m in May and June, on top of previous funding.

Onto gives drivers access to cars made by the likes of Fiat, Peugeot and Vauxhall.

Gavin Maher, joint administrator, said in a statement released to Sky News: "Onto has suffered from the steep fall in electric vehicle residual value in the first half of 2023, rising interest rates and the squeeze on disposable income and was unable to secure additional funding from its shareholders.

"After entering administration, Onto will continue to serve existing customers as the administrators explore strategic options."

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Speaking last month, Rob Jolly, Onto's chief executive, described the company as "the pre-eminent market leader in electric car subscriptions, and the board is confident that our proposition can continue to play a key role in the UK's net zero transition".

L&G also led a \$60m funding round for Onto a year ago, saying at the time that it was "an ambitious company with a talented management team that will play a vital role in accelerating the transition to electric vehicles".

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The company's collapse highlights the perilous challenge for many early-stage businesses as they seek sufficient funding to steer them towards break-even in a more austere financing environment.

Other investors cited in Onto's Series C funding announcement included Accelerated Digital Ventures, Cerebrum Tech Limited, and the family office of Lord O'Neill, the former Treasury minister.

In total, Onto has raised more than \$350m to fund its growth.

Potential bidders for its assets are expected to be contacted in the coming days.