

Matchesfashion owner pumps in £60m to keep online retailer in shape

The private equity backer of Matchesfashion, the online upmarket fashion retailer, is pumping tens of millions of pounds of new funding into the business as it seeks a revival under its new management team.

Sky News has learnt that Apax Partners, the London-based buyout firm, has agreed to inject £60m into Matchesfashion, which sells brands including Gucci, Prada and Valentino.

The new capital will be split between £40m in equity and £20m in debt, with the latter element expected to be finalised in the short term.

In tandem with the extra funds, Matchesfashion is said to have secured covenant waivers and extensions with all of its lenders.

The additional financing underlines both the challenges that Apax has faced since acquiring Matchesfashion in 2017 and its confidence in new chief executive Nick Beighton's turnaround plan.

Mr Beighton, the former ASOS boss, was appointed last summer, the latest in a string of CEOs to be hired by Apax during more than five years of ownership.

In a statement on Monday responding to an enquiry from Sky News, a spokeswoman for the company said: "Matchesfashion offers luxury brands an exclusive audience and our customers love the service we provide."

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“Our trading performance has been very strong in recent months and we are well-positioned as a business, having significantly strengthened our top team.

“Now, with additional financial support from Apax Funds, we

are well-placed to continue to drive our turnaround plan and deliver long-term commercial success.”

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The business is already said to have seen positive results under Mr Beighton, with one source saying that order demand was up 15% year-on-year during the key pre-Christmas trading period.

This period also included Matchesfashion’s biggest-ever trading day, which was up 35% on the prior year, the source added.

Its performance is understood to have been especially robust in the Middle East.

Apax bought a controlling stake in Matchesfashion in a deal valued at about \$1bn, but the investment has been beset by operational problems.

Mr Beighton was drafted in to replace Paolo De Cesare, who joined the company as chief executive just ten months earlier.

The former ASOS chief’s arrival made him the fourth boss of Matches in less than three years.

In November 2021, its accounts flagged “material uncertainty” over its future without an improvement in its trading performance.

Its fortunes resembled those of many online fashion retailers, which saw a COVID-inspired sales bounce evaporate.

Last week, Sky News revealed that ASOS had appointed Scott Millar, a senior financial restructuring executive, to join its finance team.

Mr Beighton spent more than a decade at ASOS, initially as chief financial officer before becoming CEO in 2015.

He helped grow the company from £178m in revenue and 150 people when he joined, to sales of £3.9bn and a workforce of 15,000, including warehouse staff, when he left.

Matches was founded at a single store in London in 1987, and now boasts 50 million visitors annually to its site.

Its closest rivals include Farfetch and Net-a-Porter.