

Missguided investor Alteri faces steep losses after Ashley swoop

The firm which ploughed funds into Missguided, the online fashion retailer, in the months leading up to its insolvency is facing losses on its investment running to tens of millions of pounds.

Sky News understands that Alteri Investors, which is backed by the American private equity giant Apollo Global Management, injected a total of £50m into Missguided between December 2021 and [its sale](#) through a pre-pack administration to Mike Ashley's Frasers Group last week.

Sources said that Alteri, which was established to invest in troubled retail businesses, had invested £40m through a combination of debt and equity to acquire a controlling stake in Missguided, followed by a further £10m as it sought a new owner.

The business was sold to Mr Ashley's retail empire for £20m, although the exact sum that will be recovered by Alteri was unknown on Tuesday.

One source estimated the potential loss to Alteri at between £20m and £30m, although other Missguided assets have yet to be sold by Teneo Restructuring, the administrator.

Advertisement

Missguided collapsed amid rancour from suppliers who complained of bills that had remained unpaid for months.

Frasers said it intended to operate the online fashion brand on a standalone basis, adding to a string of labels, such as Jack Wills, that it has snapped up in recent years.

More from Business



Car retailer Cazoo to cut 750 jobs over recession fears



The cost of filling a tank of petrol hits £98 for first time in history – and prices are still climbing



Cost of living latest: Supermarket loyalty on wane; utility bills soar by a third in one month; people cancelling subscriptions

Missguided was founded by Nitin Passi in 2008, and became known for extraordinary and at-times controversial offers such as £1 bikinis.

Frasers swooped to buy Missguided from under the nose of Boohoo, which had been in pole position to secure a deal.

Alteri declined to comment.