

Online retailer ASOS recruits company doctor to fashion turnaround

ASOS, the online fashion retailer, has drafted in a leading company doctor amid pressure from its lenders about the state of its balance sheet.

Sky News has learnt that Scott Millar, a senior managing director at the professional services firm Ankura, has been appointed by ASOS to join its finance department.

A source close to the company said Mr Millar would become interim director of finance projects, although several insiders suggested on Thursday that he would play a significant role as it seeks to strengthen its financial position.

A former chief restructuring officer (CRO) at Interserve, the outsourcing giant which collapsed into administration in 2019, Mr Millar has worked at a number of leading insolvency practitioners.

Among his former employers was AlixPartners, which has been advising ASOS's lenders on their exposure to the company in recent months.

One person close to ASOS denied that Mr Millar's role would be akin to that of a conventional CRO.

Earlier this month, Jose Antonio Ramos Calamonte, ASOS chief executive, said the company had "ample balance sheet flexibility".

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The online retailer, which bought Topshop out of administration in 2021, saw sales boom during the initial phase of the pandemic, but has struggled since, grappling with a string of management changes.

It has replaced its chairman, CEO and finance chief in the last year.

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Early in the pandemic, it raised close to £250m from a share sale to enable it to take advantage of opportunities arising from the dislocation caused by COVID-19.

Topshop was the most prominent of those, although it has also explored other acquisitions during the period.

However, inflationary pressures and the fading of investors' assumptions that soaring demand during the pandemic would be

sustainable have coalesced into a string of profit warnings.

It said recently it had cash and undrawn credit facilities of about £430m, and would return to a position of cash generation in the second half of the year.

ASOS added that it had scaled back its capital expenditure plans for 2023.

Last autumn, Sky News revealed that its biggest lenders, which include Barclays, HSBC and Lloyds Banking Group, were lining up AlixPartners and law firm Clifford Chance to [advise them on ASOS's finances](#).

Other advisers involved in the discussions include PJT Partners and EY, the accountancy firm.

On Thursday, shares in ASOS were trading at around 794p, giving it a market value of nearly £780m.

The stock has fallen by about two-thirds during the last 12 months.

Other online fashion retailers, including Boohoo Group, have also seen their value slump amid a cocktail of economic headwinds.

ASOS declined to comment.