

Revolution Beauty lenders hire advisers amid accounting chaos

Lenders to Revolution Beauty, the online cosmetics retailer, have drafted in City advisers amid the accounting chaos which has left it unable to file financial results.

Sky News understands that HSBC and NatWest, Revolution's main bank lenders, have asked Teneo Financial Advisory to monitor the situation amid an independent probe.

A source close to Revolution said the banks had hired Teneo in recent weeks.

The move to bring in Teneo comes in the wake of Revolution being forced to suspend its shares in September after its auditor, BDO, refused to sign off its accounts.

The failure to do so led to a breach of one of the beauty products retailer's borrowing covenants with lenders.

On Monday, Revolution announced Bob Holt, a corporate turnaround expert who has been working at the company for the last six weeks, as its chief executive.

Mr Holt said: "I have seen first-hand the quality of people working at Revolution Beauty, the overall popularity of the brand and innovation of products for customers around the world.

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“I believe there is a huge opportunity for the business as it moves ahead and I am confident that, together with the team, we will drive the business forward.”

Revolution floated on the London stock market just last year, riding the online shopping wave created by the COVID-19 pandemic.

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The outcome of the independent probe into its finances will have implications for Boohoo Group, the online fashion

retailer, which holds a minority stake in Revolution Beauty.

Revolution Beauty and Teneo both declined to comment.