



[Print this article](#) | [Close this window](#)

## Bold move to topple board at RHG

Colin Kruger

April 9, 2011 - 12:00AM

TWO RHG investors declared war on its board yesterday, requisitioning a shareholders' meeting to change control and thwart an attempt by the Rams Home Loan founder, John Kinghorn, to flush out other shareholders with a share buyback and then delist the company.

Advertisement

RHG, which houses the rump of the old Rams Home Loan business, confirmed receipt of the request and said a notice of meeting would be sent to shareholders within three weeks. A meeting is expected in early June.

The two shareholders, Geoff Wilson's Wilson Asset Management and Karl Siegling's Cadence Asset Management, also issued a substantial shareholder notice of a combined RHG stake of 10 per cent which recognises their shared intent. The notice said the two "have become associates ... as they propose to seek to influence the composition of the board of RHG".

If the attempted boardroom spill is successful, the company founder, John Kinghorn, will be the only surviving non-executive director.

The meeting will seek to oust the Rams co-founder Greg Jones, and John McGuigan, a Krispy Kreme co-investor with Mr Kinghorn and Mr Jones. Shareholders are being asked to replace them with Malcolm McComas, Gabriel Radzysinski and Paul Jensen.

"We wouldn't have called a meeting unless we believed there was significant support for what we're planning," Mr Wilson said. The two shareholders wanted the company to remain listed and return surplus cash to investors.

The seeds of the dispute were sown last month when Mr Kinghorn proposed a \$243 million share buyback at 88¢ a share that would hand him control before a delisting.

A paid consultant valued the shares at up to \$1.31, and Wilson Asset Management demonstrated its confidence in the company's value by acquiring shares this month at just under \$1 each.

The fracas may yet flush out a bid; the former Babcock & Brown chief, Phil Green, and NAB have been mentioned as potential suitors.

*This story was found at: <http://www.smh.com.au/business/bold-move-to-topple-board-at-rhg-20110408-1d7n1.html>*