

**WINPAR HOLDINGS LIMITED**  
**A.C.N. 003 035 523**

**G.P.O. Box 4248**  
**Sydney**  
**New South Wales 2001**  
**9 May 2013**

**NOTICE OF MEETING**

**A general meeting of members of Winpar Holdings Limited will be held at 4.00 p.m. on Tuesday 18 June 2013 at Ground Floor, 16-18 Grosvenor Street, Sydney, New South Wales.**

**BUSINESS**

**The business of the meeting will be to consider and if thought fit pass the following resolutions as ordinary resolutions :**

- 1. That Steven Shane Pritchard be removed as a director of the company forthwith.**
- 2. That Dr Gordon Bradley Elkington be removed as a director of the company forthwith.**
- 3. That Alfred Edward Fulton Rofe be removed as a director of the company forthwith.**
- 4. That David Tweed be appointed a director of the company.**
- 5. That Donna Lorraine Newman be appointed a director of the company.**

**NOTES**

**The meeting has been requisitioned by National Exchange Pty. Limited, a company of which Mr. David Tweed and Ms. Donna Newman are directors.**

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FORM OF PROXY

I, ....., of .....,  
....., being a member of Winpar Holdings Limited, hereby appoint  
..... or, failing that person, the Chairman of the  
Meeting, to attend on my behalf and vote at the general meeting of the Company to be held at 4.00 p.m. on  
Tuesday 18 June 2013.

VOTING DIRECTIONS

	For	Against	Abstain
1. Removal of Steven Pritchard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Removal of Gordon Elkington	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Removal of Alfred Rofe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Appointment of David Tweed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Appointment of Donna Newman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

.....  
Signature

.....  
Date

## INSTRUCTIONS FOR COMPLETION OF PROXY FORM

### APPOINTMENT OF A PROXY

You may appoint a proxy to attend at the meeting and vote on your behalf. You may if you wish appoint the Chairman of the Meeting to act as your proxy. If you do not name a proxy, or if your named proxy does not attend the meeting, the Chairman of the Meeting will act as your proxy. A proxy need not be a shareholder in the Company.

### VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All of your shares will be voted in accordance with such a direction unless you indicate that only a portion of your voting rights are to be exercised by the proxy holder. If you do not mark any of the boxes on a given item your proxy may vote as he or she chooses.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional form may be obtained from the Company or you may copy this form.

To appoint a second proxy you must mark on each proxy form the percentage of your voting rights or the number of shares represented by that form. If the forms do not specify the percentage of voting rights or the number of shares represented, each proxy may exercise half of your votes.

### SIGNING INSTRUCTIONS

Where the holding is in one name, the proxy form must be signed by the holder.

Where the holding is in joint names, the form must be signed by each shareholder.

Where the proxy is executed under a power of attorney, a copy of the power of attorney must be attached to the form.

Where the holder is a company, the form must be signed:

- (a) where the company has a sole director who is also the secretary, by that person;
- (b) where the company does not have a secretary, by a sole director;
- (c) otherwise, by a director jointly with another director or the secretary.

### LODGEMENT OF PROXY FORM

The proxy form, together with any power of attorney under which it is signed, may be delivered to the Company at its registered address, Suite 2.6, Level 2, Grosvenor Street, Sydney, New South Wales 2000 or posted to the Company at G.P.O. Box 4248, Sydney, New South Wales 2001. It may also be sent to the Company by facsimile to (02) 4920 2878. It must be received no later than 4.00 p.m. on Sunday 16 June 2013.

# FIFTH TIME LUCKY UNLIKELY AS TWEED CONTINUES TO STALK WINPAR BOARD

*But the infamous predator shows no signs of giving up*

BRYAN FRITH



MARKET predator David Tweed has attracted a great deal of notoriety and odium for his practice of seeking to hold unsophisticated investors — who have accepted unsolicited offers to acquire their securities at prices well below their

market value — contractually bound to sell at an under-value.

Two years ago, the Corporations Act was amended to make it harder for market predators to prey on unsophisticated investors in this manner.

The changes, widely referred to as the “anti-Tweed” amendments, give companies and registered schemes the right to refuse access to their share registers if the request is deemed to be for an “improper purpose”.

Tweed is also an investor in his own right and in that capacity he has recently been upset by an interpretation of the Corporations Act in relation to one of his investments, the small investment company Winpar Holdings, which is listed on the National Stock Exchange.

Tweed took his grievances to the Takeovers Panel. Unluckily

for him, it has declined to conduct proceedings.

Tweed, through one of his companies, National Exchange, has been stalking Winpar for years. Since appearing on the share registrar in 2004 with a 7.9 per cent stake, NEX has been steadily acquiring shares and by November last year had built its stake to 45.16 per cent. Tweed has used the “creeping takeover” exemption under which he can buy 3 per cent of Winpar every six months without having to make a takeover bid.

Last year, Tweed began flexing his muscles by requisitioning shareholder meetings to seek changes to the Winpar board. In February last year, NEX requisitioned a 249D shareholder meeting to consider appointing Tweed to the board.

At that stage NEX held 1.4 million Winpar shares, or 40.2 per

cent of the capital, which normally would have been enough to carry the day.

The board formed the view that it would not be in the interests of the company if Tweed was appointed, pointing to the controversy that surrounded his practices of offering to buy shares at a significant discount to market value.

Shareholders rallied around the board. The meeting was held in April and 90 proxies were received — only one of which was in favour of the appointment of Tweed.

The resolution was defeated with 1.69 million proxies against and 1.4 million for. Neither Tweed nor any other NEX representative attended the meeting.

In May, NEX requisitioned another meeting, this time seeking to remove Steven Pritchard as a director. By that time NEX had

lifted its shareholding to 42.17 per cent. The meeting was held in June and this time the vote was closer — 1,686,349 votes in favour of removing Pritchard and 1,690,853 against. Again, neither Tweed nor any NEX representative attended the meeting.

Tweed tried again at the annual meeting, held in November. NEX gave notice under section 249N of a resolution to remove Pritchard as a director.

By that stage NEX had crept to 45.16 per cent of Winpar, less than 5 per cent from outright majority control.

The resolution to remove Pritchard was not put at the AGM, perhaps because, once again, neither Tweed nor any other NEX representative attended.

Had the resolution to remove Pritchard been put and taken to a poll, NEX would have prevailed.

NEX responded in early December by requisitioning yet another shareholder meeting, this time to vote on the removal of Pritchard and Honan.

Winpar set the meeting date for February 7 and said that it viewed NEX's continual efforts to remove directors as part of a strategy by Tweed to gain control of Winpar without making a takeover offer to all shareholders and paying a normal control premium.

On December 31, Winpar boosted its shareholding in an unlisted public company, Penrose Holdings, from 4.21 to 29.31 per cent, which was funded by the placement of 5 per cent of Winpar's capital (12.77 per cent). The placement diluted NEX's shareholding to 39 per cent.

The directors of Penrose included Gordon Elkington, Pritchard and Penrose chairman Anton

Rosenberg. The places included Level 1, a company controlled by Rosenberg, family companies of Pritchard and Honan and Rosemary, Margaret and Katherine Elkington.

If the placement shares were aggregated with those of the directors, it increased their stake from 28.48 to 34.15 per cent.

The requisitioned meeting was held in February and, following the placement, the board had the numbers. The resolutions to remove Pritchard and Honan were defeated on a poll — 1.5 million votes for to 2.055 million against.

NEX went to the panel claiming that the Winpar chairman acted improperly in failing to conduct a poll at last year's AGM.

NEX sought interim orders preventing the directors and their associates from increasing their voting power in Winpar.

However, the panel ruled that NEX had not provided sufficient material to support its claim of an association that the chairman's decision not to call for a poll at the AGM involved the acquisition of control over voting shares as required by section 602 (the takeover provisions) and section 657 (panel declarations).

Undaunted, Tweed is trying again.

On April 18, NEX lodged a requisition for another meeting — the fifth in more than 12 months — to vote on the removal of Elkington, Pritchard and Rose as directors and the appointment of Tweed and another NEX director, Donna Newman.

Given the panel's decision, that meeting would appear to be headed for the same outcome as the previous four unsuccessful attempts. [bfrith@acenet.com.au](mailto:bfrith@acenet.com.au)