

# Stelios threatens to 'sue those scoundrels'

**Robert Lea** Industrial Editor

The founder and largest shareholder in Easyjet has stepped up his attack on the airline's board by saying that he will "personally sue those scoundrels" if they go ahead with a multibillion-pound order to acquire more than 100 new aircraft from Airbus.

In his latest missive on the financial pressure on the carrier he founded 25 years ago and in which he retains a 34 per cent stake, Sir Stelios Haji-ioannou called the tapping of the British taxpayer for a £600 million loan "a scandal".

He also accused John Barton, the Easyjet chairman, of "dirty tricks" in delaying his call for a general meeting to begin removing directors.

In a statement, Easyjet's board said that it was standing by its directors and by its decision to ask for a government loan. It said that it was in talks with Airbus and that a general meeting of shareholders would be "an unhelpful distraction". There is no legal bar on Easyjet accessing the government scheme.

Easyjet is the second biggest of the pan-European short-haul airlines, behind Ryanair. It is the biggest operator at Gatwick and Luton airports and the second largest carrier at Manchester and Stansted. It employs 15,000 people. It has grounded its entire 33-strong

fleet because of the travel restrictions around Europe put in place to slow the spread of the coronavirus and has furloughed or put workers on leave.

Sir Stelios, 53, already incensed that Easyjet directors had ignored his demands for it to drop its orders with Airbus, has been further infuriated by the board's decision to block a requisition of a general shareholders meeting on a technicality and then to go ahead with taking a loan from the taxpayer.

In a statement, Sir Stelios said that his previous rows with the Easyjet board since he had stepped down as a director ten years ago were a "legitimate corporate tension between the paid managers and a shareholder".

However, the latest spat had taken the relationship to "an all-time low".

His main concern is the £4.5 billion of

capital expenditure that Easyjet has committed to over the coming four years at a time when he says that its annualised revenues of £6 billion have fallen to zero, but he was also sharply critical of the blocking of his call for a meeting to remove Andreas Bierwirth, a non-executive director.

"Never in the last ten years of disputes and corporate voting has any other set of directors ever picked such a cheap point. Only desperate people trying to postpone having to face their own shareholders in a vote would ever resort to such a dirty trick," he alleged. He

is re-requisitioning the meeting to include the additional removal of Andrew Findlay, the finance director.

Of the decision to take a £600 million loan from the government, Sir Stelios claimed that it "could be the biggest scandal in British corporate history and UK government support since the bailout of the UK banks by the UK taxpayer in 2008... Easyjet will have to repay [it] in one year from now. It is not a gift and it is not equity. It is more like you borrowing money on your credit card for one year."

If the aircraft acquisitions were to go ahead, he claimed: "I will personally sue those scoundrels involved for breach of their fiduciary duties."

