

# Quarterly Meeting

## Meeting Notes and Actions

### Everton Football Club and Everton FC Shareholders' Association

**Location:** Royal Liver Building – October 9<sup>th</sup>, 2023, 16:00

**Attendees:** John Blain, Vice Chair, EFCSA

Colin Chong (Interim CEO) Stadium Development Director, Everton FC

Robbie Daniels, Honorary Secretary, EFCSA

Barry Hancox, Executive Committee, EFCSA

Julie Hobson, Chair, EFCSA

Dave Kelly, Executive Committee, EFCSA

Richard Kenyon, Chief Commercial & Communications Officer, Everton FC

Paul Murphy, Executive Committee, EFCSA

Mike Owen, Executive Committee, EFCSA

Phil Parker, Executive Committee, EFCSA

Tony Rimmer, Executive Committee, EFCSA

Ian Seymour, Executive Committee, EFCSA

Keith Seymour, Executive Committee, EFCSA

Ian Webster, Honorary Treasurer, EFCSA

**Apologies** Tom Hughes, Executive Committee, EFCSA

Martin Williams, Executive Committee, EFCSA

# **AGENDA**

1. Welcome / Introductions
2. Ownership of Everton Football Club (Financing)
3. Stadium / Goodison Legacy Project
4. Update on Independent Commission
5. Reinstatement of the Annual General Meeting
6. Club Communications
7. AOB

## **Introductions**

Apologies were noted.

## **Ownership of Everton Football Club (Financing)**

An open and robust debate took place about the status of the Club and the proposed sale of shares by Farhad Moshiri that would result in Miami based 777 Partners acquiring a controlling interest.

A Sale & Purchase Agreement (SPA) is in place for the sale of Blue Heaven Holdings (BHH) equity in Everton (EFC) to 777 Partners (777) with an optimistic date for closure of November 2023.

It is a multiple party agreement that minimally includes EFC, BHH and 777 although other parties are party to the agreement.

As far as EFC is aware, BHH do not have an alternative buyers for its shares lined up should 777 fail to satisfy the fit and proper owner tests as required by the EPL, FA and FCA. The EFC CEO noted that 777 already have FCA approval for some of their other businesses.

When challenged about what happens if 777 fail the fit and proper owners test or the sale of BHH shareholding doesn't happen in a timely manner the EFC CEO confirmed that Mr Moshiri, through BHH, will remain responsible for the Club as its majority shareholder.

Finally, on this point the EFC CEO reiterated that the public rumours and speculation around the potential for EFC going in administration were totally false.

## **Stadium / Goodison Legacy Project**

Richard Kenyon (EFC CCCO) talked briefly about the potential for a stadium naming rights deal and provided a summary of progress.

He reiterated the consistent message around the need for a mutually beneficial deal and that the club would only proceed with a sponsor who was "the right fit" for EFC.

The EFCC CCCO said he was hopeful that a 10-year+ naming rights agreement would be achieved but was unable to give specific details at this time.

The EFC CEO confirmed that the Goodison Legacy Project continues with the outline plan being developed and third-party discussion taking place, additionally at this stage some competitive tendering is taking place for some elements of the project.

There is good interest in the project with discussions having taken place with 2-3 housing partners. The project will include a medical centre and it is expected that both EFC and EITC will have offices at the new complex that will be centred around Goodison Park as a valued community asset.

Some debate took place about exactly how much the stadium will cost to build.

The EFC CEO was open on the matter gave some insight into the gap between the earliest number that was in the public domain of some £500m and the largest number (first mentioned to the EFCSA in July 2022) given by Farhad Moshiri of some £760m.

In short, the lowest number was, as explained by the EFC CEO, the outline planning cost with the highest number being the total cost plus the financing cost assumed for a structured debt facility. He also said that the Club still had options on the table for senior debt but did not discount the project being funded by equity.

The actual build cost of the stadium, including revisions that are already in the plan is £610m.

**ACTION: Arrange a visit for EFCSA to the Everton Stadium (EFC CCCO)**

### **Independent Commission update**

With regards to the Independent Commission that will hear the case of an alleged breach of Premier League (EPL) Profitability & Sustainability rules by EFC the EFC CEO confirmed that EFC will present a robust defence.

The EFC CEO naturally enough would not be drawn on the details of the alleged breach and of course the basis of EFC's intended rebuttal.

The EFC CEO stated that the hearing that will be chaired by a King's Counsel (KC) is likely to last around 5 days with a public decision expected 3-4 weeks later.

### **Reinstatement of Annual General Meetings**

The EFCSA Chair again pushed EFC to reinstate General Meetings with the EFC CEO responding that the Club didn't want to commit to this prior to the conclusion of the share sale process.

The EFCSA didn't accept this as appropriate noting that both the EFC Chair and the largest shareholder told the EFCSA in a face-to-face meeting (via Zoom) in July 2022 that they individually have no objection to General Meetings.

The EFC CEO maintained his view and so by way of compromise promised the subject would be discussed at the next EFC Board Meeting with the EFCSA noting that this should be a short conversation and should not detract from matters that are perceived as more important.

Furthermore, the EFC CEO was unable to say when the Annual Report & Accounts would be available to shareholders stating that they needed to be audited.

The EFCSA noted that previous CEO's have promised that Accounts would be made available as early as possible, but this has not happened in the past.

It was noted and assumed by the EFCSA that audited accounts would be made available to the EPL Independent Commission on or before 25/10/2023.

**ACTION: Raise reintroduction of General Meetings as an agenda item at next meeting of the EFC Board (EFC CEO)**

**ACTION: Confirm publication date of Annual Report & Accounts (EFC CEO)**

### **Club Communications**

Club made a firm commitment to the EFCSA to ensure quarterly meetings would be in place moving forwards and not slip.

### **AOB**

With no further business the meeting was concluded at 17:35