

Political backing for Hibs' Board's share plans



Plans to widen ownership of Hibs have received the backing of some of Scotland's leading politicians.

Details of the Board's plans will be included in the papers being sent to the 1700 shareholders in the second week in January, ahead of the Annual General Meeting on January 28th.

Malcolm Chisholm, MSP for Leith and a regular visitor to Easter Road, put his weight behind the plan. He said: "Hibernian is an enormous part of Leith and the community, and it is really exciting to see the Board's plan to create a situation where supporters can become bigger stakeholders in their Club. I am delighted at this news, and would urge supporters to get behind the plan."

MSP Keith Brown is also a keen Hibernian supporter. He said: "I am very happy at the news. I think the plan is one that is very positive, very progressive, and something that all fans can unite behind. The signs are really encouraging at Easter Road."

Fellow Hibeer and political colleague Kenny MacAskill, MSP, added: "This is great news for every Hibernian supporter – that fans will get the chance to have a much greater engagement with the Club and in such a meaningful way. We are seeing secure foundations and a clear direction of travel on and off field."

And finally Iain Gray MSP, who is also Chairman of the Hibernian Community Foundation, lent his support: "I think there are exciting times ahead for the Club and for the supporters. I think the Board's plan is going down very well

with fans keen to have greater engagement with their Club. I hope everyone unites behind the Club to make this happen.”

All money raised from supporters through this process will go direct into the Club, to help fund sporting ambition, as money raised will not be used to buy shares from existing shareholders. Instead, the money raised will go into the Club in return for new shares. Existing shareholders, including the holding company, will retain their existing shares but their percentage ownership of the Club will be reduced as new shares are issued. New shares up to the value of £2.5m will be made available so that over time the holding company’s ownership will be diluted to less than 50% of the enlarged share capital of the Club.

The Club’s property assets – the stadium and training centre – were valued at more than £25m in July 2014 on a depreciated replacement cost basis. It is a fundamental part of the Board’s strategy that Easter Road Stadium and the Hibernian Training Centre will continue to be owned by the Club.

Accordingly, supporters will have the opportunity to own shares in the Club which in turn owns Easter Road Stadium and the Training Centre and has received the cash raised by supporters.

The Club has agreed a settlement with Bank of Scotland and is now free of Bank debt. That settlement was funded by new loans provided by the holding company to the Club and by a payment made direct to the Bank. The fixed securities held by the Bank over Easter Road Stadium and the Hibernian Training Centre have been released.

Following the settlement with the Bank, the holding company has agreed to halve the Club’s debt by converting £4.5 million of loans into new ordinary shares in the Club. A formal written resolution to give effect to this will be sent to shareholders with the papers for the AGM. The remaining loans

will be refinanced as a single £5m mortgage provided by the holding company on terms acceptable to the Club.

To underpin this commitment to wider supporter involvement and ownership, two new Non-Executive Directors are being elected directly by supporters. The election process amongst the 17 candidates is underway and the two new directors will be in place by the time of the AGM on 28 January 2015.

The Board is making these commitments following a full consultation with supporters both at a series of supporter meetings attended by over 500 supporters and based on the results of an online survey of the views of almost 4,000 supporters.