



DAFC SUPPORTERS MEETING

**Purvis Suite
East End Park**

24 November 2021



Agenda

- **Club Update**
- **Questions for the Board**
- **Football Q&A with John**



Last Few Months

- **Been a very difficult time for everyone at East End Park**
- **The results in the SPFL Championship have not been acceptable, which caused frustration, hurt and anger**
- **In football, success or failure is judged by results**
- **Despite his diligence, professionalism and hard work it just never worked out for Peter**
- **Always easy just to blame the Manager, but everyone has to look themselves in the mirror**



General Overview

- **Every year at DAFC is challenging, but last two (19/20 and 20/21) have been crazy due to the Covid pandemic!**
- **This season will still be impacted in some shape or form from Covid.**
- **Remodelled club football strategy in 2019 – young, hungry players; and a new coaching staff**
- **Also recognised we had to attract new investment into our club to move forward**
- **New coaching AND medical staff appointed in summer of 2021**
- **Sadly we had to replace Peter as Manager in recent weeks, but we are delighted that we were able to attract John as his successor**



Covid Pandemic

For every business it has created huge uncertainty

- **Income and revenue streams decimated, financial modelling very difficult**
- **Had to reduce our costs to the bare minimum and gather as much external support as possible (Support The Pars; Rates Relief; Grants; Furlough; Stadium Rent)**
- **Added workload/hassle of serving on the SPFL Board during this period**
- **Strict staff protocols to follow every day; leading to weariness and complacency**
- **Lack of social contact, especially in a team environment – no supporter events**



Covid Pandemic

It has challenging for our football staff to keep operational

- **Had to move to a Covid secure training base at Alloa's stadium**
- **Players could not car share; had to launder their own training kit; socially distance out with training pitch; could not eat together or use dressing room – to prevent transmission and threat of close contacts**
- **Despite all of this, we have had three Covid outbreaks within our group – all transmitted from out with our club – three matches having to be postponed**
- **Recovering from a Covid outbreak is difficult, as sufferers are fatigued and close contacts cannot train**
- **Manager could not hold proper team meetings**



Investment/Ownership

Keep doing the same things, you get the same results

- **We needed to secure major investment into DAFC to move our club forward in the longer term**
- **Not sufficient support from existing shareholders for new equity – had to look externally**
- **Spoke to potential investors in America, Asia, Australia and Europe**
- **The original idea with our chosen investors, DAFC Fussball GmbH was to purchase controlling interest of 75.1% shareholding on 31 March 2020, but Covid struck!**
- **Eventually purchased 30% in September 2020 and acquired the right to the remaining 45.1% in July 2021 (without being able to travel and Brexit complications)**
- **100% of the investment is for equity, no loan finance**



Investment/Ownership

Recent events necessitated a change to the original structure

- **My resignation unsettles the agreement with GmbH to take a further 45.1% of shares, and hence majority control**
- **As a consequence, GmbH could have walked away without providing the funds for the second investment tranche, but they didn't**
- **Concerned about the nature and extent of the abuse directed towards the Board, myself in particular**
- **I did not want my resignation to impact or damage our club, so we have spent a number of weeks reaching what we consider is an even better solution**



Investment/Ownership

So what are the changes?

- I will continue in my current role until May to handover to a soon to be appointed CEO and help drive other key matters forward
- GmbH will continue to put in all of the funds but not seek to take immediate majority control; second investment is being re-set and will be provided in a manner similar to a convertible “loan note”
- However, it is NOT a “loan”, as it is NOT repayable and can only ever be redeemed in return for equity
- GmbH has the right to convert this to equity at any time over the next 5 years at which point they would become majority owners – until then PUCIC remains majority shareholder
- At my request, GmbH agreed to provide even more investment capital for a further 5%, which demonstrates the trust, respect and goodwill both parties have for each other



New CEO

- **We have agreed terms with a new CEO, to start in early 2022**
- **Will be appointed to the Board, and will take on strategic, commercial, operational and day to day management tasks**
- **He has been known to me for 8 years and has assisted me in the past**
- **He has a first class CV having worked previously at large football clubs north and south of the border, along with an international airline**
- **He is a Pars fan and will relocate back to Scotland**
- **This was always part of our business plan, to build a more sustainable club, but because of circumstances it is now happening sooner rather than later**



DAFC Youth Academy

- We recently received confirmation from SFA that our application had been approved, with games programme commencing in January
- DAFC were previously part of the regional Academy (Fife Elite Football Academy) with the other 3 Fife senior clubs
- Another significant milestone in rebuilding our club for the future
- It will provide a joined up pathway for young footballers from The Pars Foundation, to the Academy and then ultimately to the first team
- Provide consistency of coaching throughout the whole structure with improved standards and professionalism



Training Ground

- Finally, we concluded agreement with CSSC on Monday to take control of the site at the former Civil Service Grounds at Rosyth
- Aim to be (fully/partially) operational for pre season training in summer of 2022
- Only the funding from DAFC Fussball GmbH could make this a reality
- Transformational for our club; first time DAFC will have infrastructure on one site:
2 X grass training pitches, 3G astro pitch with floodlights, gym, laundry, kit, boot room, changing, eating, analysis and education theatre, rest/ office space
- To develop players through better coaching you need the best facilities
- Brings together the first team, the DAFC Academy and our community charity, The Pars Foundation all on one site



The Future

- **The future for our club is very bright, with so many positive developments happening off the field**
- **New Manager to lead us forward on the field**
- **Motivated and talented backroom staff**
- **However, we all need to stick together as our club takes some stopping when we are all in it as one**
- **Division and abuse only serves to assist our competitors**



DAFC Update

Q&A?