

CHELSEA PITCH OWNERS AGM 19/1/24 – STATEMENT FROM THE CHAIR

A warm welcome to the Annual General Meeting of Chelsea Pitch Owners, especially to our new shareholders and those who may be attending one of these meetings for the first time. It's great to see so many people here today, and we're also delighted that we can once again extend the opportunity to attend by providing a live stream for those that can't make it in person. At the last count there are over 15,000 CPO shareholders in over 70 countries around the world, and we hope that keeping to this later start time will allow more of you to join us. For those that have joined online, we are of course monitoring and moderating participation so everyone can feel part of the process. The required quorum is present, and so the meeting is now open.

My name is Chris Isitt, director of CPO since June 2020, and I am joined by my fellow directors, Sean Jones, Ginette Gower, Miriam Greenwood and Mark Eyre. At the end of our financial year in July, Steve Frankham announced he would be stepping down as a Director, and I would like to take this opportunity to pay tribute to the huge contribution Steve has made to the existence and indeed the survival of CPO from his first appointment from 1993 to 2001, and then again from 2011 until July this year. I'm pleased to report that Steve has accepted our invitation to join the distinguished group of people who are Vice-Presidents of the Company.

The statement I will make to you now, relates to the period covered by the financial year ending July 31st 2023. The accounts for the financial year are as detailed in the pack sent to you recently and show an operating profit of £14,734, compared to a loss of £17,500 in the previous year. Although share sales were significantly lower than the previous year when uncertainty over the sale of the Club led to record numbers of new shareholders, there was also a corresponding large reduction in associated costs which, combined with other efficiencies in the running of the business which were highlighted last year, allowed an operating profit to be achieved.

Once again, sales would have been greater, had the full range of player signed certificates been available. We rely on the goodwill and cooperation of the Club to get certificates signed, but unfortunately we have yet to arrive at a solution that provides a regular supply and, as a consequence, some sales were lost. Many shareholders were extremely patient in waiting months for their share and we are grateful for their loyalty and support. We continue to work with the Club to improve the process.

Share sale income was again supplemented by proceeds from the CPO lunch held on a new date in June. The Board recorded its thanks to Steve Frankham and his team for the organisation of another well attended and profitable event. As the demographic of the shareholder base evolves, the Board has been looking at options which will allow it to hold a more inclusive social event that will encourage greater participation from shareholders. A date has been agreed for an event at Under The Bridge in March and we are working with the Club to finalise details which will be published shortly.

A break-even budget is in place for the current financial year, based on supplementing the core share sale income with additional revenue, however, the Board's primary focus, as stated throughout the sale process and in ongoing conversations with the new owners, is to ensure the financial security of CPO going forward. This means finding a vehicle that will allow the Loan to be paid off and reaching an agreement for CPO's operating costs to be covered. There is no set timescale for this, although it is disappointing to have had so little engagement on the subject from the Club. The Board will update shareholders as and when there is progress to report and decisions need to be made. Generally speaking, CPO is on good terms with the Club, has good access to senior executives and directors, and enjoys a better relationship than under the previous owners, however progress on our major discussion points is frustratingly slow and the Board has recently highlighted this frustration to the Club.

On the subject of the redevelopment of Stamford Bridge, there was plenty of media coverage around the bidding for, and eventual purchase of the Stoll site. This site plays a major part in the planning of any stadium redevelopment project and enhances the options available to the Club in achieving their objectives. There has also been much discussion on whether Earls Court is being considered as a possible future home. CPO understands that the Club has considered the site as one of several options in its due diligence, however Earls Court Development Company has never included a stadium as an option for the site, and also that Hammersmith & Fulham Council are completely against such a move. Having embarked on this project some 18 months ago, it appears that the Club has more or less gone back to the start of the process following the recent appointment of new senior executives, and consequently it appears that the timeline for the redevelopment project will stretch well into the future.

It is a matter of record that this company receives no direct funding from the Football Club and receives a peppercorn rent for the use of the pitch. Much of what we do to raise income relies on the cooperation of the Football Club, for which we continue to be grateful. CPO is a unique body with a simple and clear purpose. The board remains focused on meeting its objectives and looks forward to the continuing support of shareholders.

So, ladies and gentlemen, thank you for joining us today at the AGM and for supporting Chelsea Pitch Owners. On behalf of the Board, please help us spread the word, tell your family, friends and colleagues what we are about. Encourage them to buy shares and, if you are able, please buy more shares yourself.

Chris Isitt
Chair, Chelsea Pitch Owners