

FOUNDATION OF HEARTS

BIDCO LOAN AGREEMENT

Upon transfer of ownership of the shares in the club from Bidco to the Foundation, legal title to the original Bidco loan of £2.4m was also transferred.

The original loan from Bidco to the club was made to assist with the cost and expenses associated with the administration back in 2013/2014. The Bidco loan has been shown in the Balance Sheet of Hearts since 2014, transferring to a loan due to the Foundation on the transfer of ownership. It was never the intention of any party to require repayment to FoH post ownership and the loan has been waived by the Foundation following the transfer of shares. This is appropriately reflected in the Hearts balance sheet and improves the net asset position of the club.