

Livingston Football Club Ltd
Alderstone Road
Livingston
West Lothian
EH54 7DN

Registered in Scotland
Company Number: SC142420

THIS DOCUMENT REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or as to the action you should take, you are recommended to consult a person authorised under the Financial Services and Markets Act 2000, who specialises in advising on the acquisition of shares and other securities.

In particular, your attention is drawn to the contents of Section 14 headed “Risk Factors”.

LIVINGSTON FOOTBALL CLUB LIMITED (incorporated and registered in Scotland with registered number SC142420) Offer of up to 3,800,000 Ordinary Shares at a price of £1 per Share.

This document does not constitute a formal offer, being capable of acceptance, or invitation to purchase or acquire any securities in or from any company or person or any interest therein, nor shall it form the basis of any contract for the sale of securities in or from any company or person. The Ordinary Shares will be unlisted securities. No application is being made for admission of the Ordinary Shares to be admitted to the Official List of the United Kingdom Listing Authority or to the AIM Market of the London Stock Exchange. Further, neither the United Kingdom Listing Authority nor the London Stock Exchange has examined or approved the contents of this document. The Ordinary Shares will not be dealt on any other investment exchange (whether recognised or otherwise) and no application has been or is being made for the Ordinary Shares to be admitted to trading on any such exchange or market.

The Ordinary Shares have not been and will not be registered under the United States Securities Act 1933 or under the securities legislation of any state of the United States and may not be offered or sold in the United States or to any US persons. The Ordinary Shares have not been and will not be registered under the applicable securities laws of Australia, Canada, the Republic of Ireland, South Africa, Japan or any other jurisdiction. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities law of such jurisdictions.

If you are in any doubt as to the action you should take, you are recommended to seek your own professional advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

Applications for Shares will be accepted from 8 May 2017. The closing date for applications is 7 May 2022 (or such other date as the Board of Directors of Livingston FC Ltd may decide).

Shareholders are the owners of the Club. Investment in the Club is suitable for you in the light of your personal circumstances and the financial resources available to you. You should take independent financial advice before making a decision.

1. Overview

All the money raised in this share issue will go directly into the Club to fund current and future trading. None of the money raised will go to existing shareholders who will see their ownership of the Club diluted by the issue of new Shares. If enough supporters acquire new Shares, then the holders of the new Shares together with existing supporter shareholders will own a majority of the Club.

2. Objectives of the Share offer: Livingston FC Ltd is seeking to widen its ownership by an issue of shares to supporters which will dilute the ownership of the existing owners. New Shares will be issued for cash and the proceeds will be used to provide working capital to further strengthen the financial position of the Club.

3. Livingston FC Ltd is a member of the Scottish Professional Football League Limited (“SPFL”) which has 42 member clubs. The primary function of the SPFL is to organise a domestic league competition for professional clubs to maximise their commercial income.

Livingston FC Ltd is also a member of the Scottish FA which is responsible for the regulation of football in Scotland. The objectives of the Scottish FA include promoting, fostering and developing the game of association football in Scotland.

Article 13 of the Scottish FA Articles of Association prohibits dual interests in football clubs. The prohibition exists not just in Scotland, but world-wide. Accordingly, holders of shares in other member clubs may not apply for Shares in Livingston FC Ltd, and successful applicants for shares in Livingston FC Ltd may not acquire shares in any other football club. Furthermore, anyone who is involved in the management or administration of another club should not apply for shares in Livingston FC Ltd.

Livingston Livingston FC Ltd plays its competitive, home first team fixtures at The Tony Macaroni Arena, Alderstone Road, Livingston, West Lothian, EH54 7DN. The stadium was built in 1997 and is UEFA compliant. It has an all seated capacity of 10,000.

The Club is in discussion with ASCE a community enterprise company about more extensive community and other use of the Stadium on non-match days and exploring funding for a new all-weather playing surface.

9. Financial Information

The information below has been extracted from the audited financial statements for the year ended 30 June 2016 and the year ended 30 June 2015

Audited Year ended 30 June 2016

Audited Year ended 30 June 2015

Turnover

£1,153,565

Turnover

£1,319,512

| | | | |
|------------------|----------|------------------|----------|
| Gross Profit | £392,717 | Gross Profit | £463,492 |
| Operating Profit | £58,482 | Operating Profit | £62,769 |

Livingston FC Ltd aims to break even every year. There will be a loss in the year to June 2017. This illustrates the potential volatility in the results of the Club arising from different sporting outcomes. The Board agreed to provide for any losses and will convert loans for equity on a pound for pound basis.

The audited balance sheet at 30 June 2016 extracted from the audited financial statements may be summarised as follows:

| | | |
|--|---------|---------|
| Fixed Assets | £54,138 | |
| Stocks | £1,020 | |
| Debtors | £46,178 | |
| Cash at bank | £54,162 | |
| Creditors: Amounts falling due within one year | | £78,097 |
| Net current assets / (Liabilities) | £77,401 | |

Shareholders' funds and the carried forward profit and loss account show a deficit of circa -£1.5m at 30th June 2016. However much of this debt is in the form of Directors and Supporters loans. The new structure where Opcco6 Limited are acquiring the majority shareholding will see this debt reduce to less than £400,000.

Which consists of:

10. Bank Debt

The club has no bank debt

11. Issue of new Shares to Supporters

The issued share capital of the Club at 30 April 2016 was £1.2 million Ordinary Shares. Livingston 5 Limited held 1,123,216 million shares. Following the agreed purchase of the majority of the shares by Opcco6 Limited, the issued share capital of Livingston FC Ltd will be 5 million Ordinary £1 Shares of which 1 million shares will be held by the holding company.

The Club will issue up to 3.8 million new Ordinary Shares to supporters priced at £1 per share. The maximum proceeds under the share issue is £3,800,000. All the costs of the offer will be met by the Club.

The minimum subscription is £50 (for 50 shares) and thereafter in the amounts set out in the Application Form. The maximum subscription by any one individual is £500,000 (for 500,000 shares)

which is equivalent of 10% of the total issued share capital.

If the Share issue is fully subscribed, new shareholders together with existing supporter shareholders can own over 60% of the share capital of the Club and the holding company shareholding in the Club would be reduced to less than 25%.

12. Board of Directors and Governance.

The Board of Directors of Livingston FC Ltd comprises: Chairman & Executive Directors

The Chairman and Executive Directors do not have service agreements and do not receive any remuneration from the Club.

13. Dividends and financial returns

The Club does not currently pay dividends or make distributions to shareholders. The Board of Directors has no plans to change that policy in the short to medium term. Accordingly new shareholders are unlikely to receive any financial return on their investment in new Shares in the Club until such time as the club can make significant profits or be floated on AIM.

The Shares will not be traded on any official or unofficial market so there is unlikely to be an opportunity for shareholders to sell their Shares in the future to recoup their investment in whole or in part. It is a term of the subscription that new Shares issued must be held and not transferred for a minimum period of six months beginning on the date of issue of such Share.

14. Risk Factors

Shareholders are the owners of the Club. Please note that the acquisition of Shares involves a significant degree of risk. You should carefully consider whether an investment in the Club is suitable for you in the light of your personal circumstances and the financial resources available to you.

Specifically, in the context of an equity investment in a Scottish football club participating in the Scottish Championship in the current economic climate you should not expect any income from or return on your investment. You should not acquire Shares in the Club unless you are capable of evaluating the risks and merits of such an investment and have sufficient resources to bear the loss of all of the money that you invest.

The Directors are committed to strategies that are intended to maintain current values and ensure that the Club breaks even over the long term. There is no guarantee that those strategies will succeed. All applicants for Shares should take personal financial advice from an independent professional adviser experienced in buying minority stakes in unlisted companies before taking any action in relation to this offer, including advice on the issue price of £1 per Share.

In particular, the following specific risk factors should be fully considered prior to a decision to acquire Shares in the Club being made:

- The value of the Club's Shares will, amongst other things, be largely dependent upon the success of the trading activities undertaken which are likely to be influenced to a strong degree by the success of the football team in the various competitions in which it participates. Changes in economic conditions and the SPFL's commercial contracts can substantially affect the Club's financial prospects.
- There is little or no market or dealing arrangement for the Club's Shares. Nor is it foreseeable that there will be a market or dealing arrangement for the Club's Shares in the future except between Directors and Supporters. Accordingly, it will be difficult for an investor to sell such Shares (particularly where they constitute a minority holding) or to obtain reliable information about their value.
- It may be difficult or impossible to dispose of Shares in the Club and there is no guarantee that there will be any exit route. In any event, no Share may be transferred during a period of six months beginning on the date of issue of such Share. Investors may realise less than their original investment and have a significant risk of losing all of their investment.
- Events in the past, or experience derived from these events, or indeed present facts, beliefs or circumstances, or assumptions derived from any of these, do not predetermine the future.
- The acquisition of Shares in the capital of the Club will not be covered by the FCA Compensation Scheme or by any other compensation scheme.
- The Club has no intention of declaring dividends or other distributions for the foreseeable future.
- Certain statements within this document constitute forward looking statements. Such statements involve risks and other factors which may cause the actual results, achievements or performance of the Club to be materially different from that expressed in the forward looking statements. There can be no assurance that the results and events contemplated by the forward looking statements in this document will, in fact, occur. The Club will not undertake any obligation to release publicly any revisions to these forward looking statements to reflect events, circumstances or unanticipated events occurring after the date of this document, except as required by law or regulatory authority.
- The risks noted above do not necessarily comprise all of the risks potentially faced by the Club and are not intended to be exhaustive or presented in any assumed order of priority or probability.

Although the Directors will seek to minimise the impact of the Risk Factors, investment in the Club should only be made by investors able to sustain a total loss of their investment. Anyone who is not an existing shareholder in Livingston FC Ltd is required to consult an investment adviser authorised under the Financial Services and Markets Act 2000 and who specialises in investments of this nature before making any decision to invest.

15. Terms and Conditions of the Application

1. Applications must be made using the Application Form included in this document.
2. The Company reserves the right to present all cheques and bankers' drafts for payment on receipt and to retain surplus application monies pending clearance of successful applicants' cheques.
3. The Company reserves the right to reject, in whole or in part, or to scale down any application.

4. If any application is not accepted in full, or is accepted for fewer Shares than the number applied for, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance thereof will be returned (without interest) by crossed cheque in favour of the applicant, through the post to the applicant's address set out on the Application Form at the risk of the person(s) entitled thereto not later than seven days following the closing of the offer.

5. The Company reserves the right to treat as valid and binding upon the applicant any application, even if the accompanying Application Form is not completed in all respects in accordance with the instructions or is not accompanied by the power of attorney where necessary.

6. The right is reserved to reject any application in respect of which the applicant's cheque or banker's draft has not been cleared on first presentation. Notifications of acceptance or non-acceptance will not be issued pending issue of definitive certificates for the ordinary shares or return of application monies (as the case may be).

7. By completing and delivering an Application Form each applicant:

(i) offers to acquire the number of Shares specified in his or her Application Form (or such lesser number for which his or her application is accepted) at the offer price of £1 per Share on the terms of and subject to this document, including these terms and conditions, and the Memorandum and Articles of Association of the Company from time to time;

(ii) agrees that his or her application shall not be revoked and this paragraph shall constitute a collateral contract between him or her and the Company which will become binding upon dispatch by post of his or her Application Form;

(iii) warrants that his or her remittance will be honoured on first presentation and agrees that if such remittance is not so honoured, he or she will not be entitled to receive a share certificate in respect of the ordinary shares applied for or to enjoy or receive any rights or distributions in respect of any ordinary shares unless and until he or she makes payment in cleared funds for such ordinary shares and such payment is accepted by the Company (which acceptance shall be in its absolute discretion and may be on the basis that he or she indemnifies the Company against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of his remittance to be honoured in first presentation) and that, at any time prior to unconditional acceptance by the Company of such late payment in respect of such ordinary shares, the Company (without prejudice to any other rights) may avoid the agreement to allocate such ordinary shares to him or her and may re-allocate ordinary shares to some other person, in which case he or she will not be entitled to any refund or payment in respect of such ordinary shares (other than the refund to him or her at his or her risk of any proceeds of the cheque or bankers' draft accompanying his or her application, without interest);

(iv) agrees that any monies returnable to him or her may be retained by the Company pending clearance of his or her remittance and that such monies will not bear interest;

(v) agrees that applications to the value of approximately £9,000 or more which are settled by way of

a third party payment, e.g. bankers' draft, building society cheque or a cheque drawn by someone other than the applicant will be subject to the UK's verification of identity requirements which are contained in the Money Laundering Regulations 2007 as amended, updated, replaced or superseded from time to time;

(vi) agrees with the Company promptly, on request, to disclose in writing any information which it may request in connection with his or her application and authorises the Company to disclose any information relating to his or her application it may consider appropriate;

(vii) agrees that any definitive share certificate to which he or she might become entitled and monies to be returned to him or her may be retained pending clearance of his remittance or pending investigation of any suspected breach of the warranties of this section and that such monies will not bear interest;

(viii) agrees that all applications, acceptance of applications and contracts resulting therefrom under this Offer shall be governed by and construed in accordance with Scots law, and that he or she submits to the jurisdiction of the Scottish Courts and agrees that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of it in connection with any such applications, acceptances of applications and contract in any other manner permitted by law or in any court of competent jurisdiction;

(ix) confirms that in making such application he or she is not relying on any information or representation in relation to the Company other than the information contained in this document and accordingly he or she agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof shall have any liability for any such other information or representation;

(x) agrees that, having had the opportunity to read this document, he or she shall be deemed to have had notice of all information and representations concerning the Company contained therein;

(xi) warrants that he or she is not under the age of 18 and is not resident outside the United Kingdom;

(xii) agrees that all certificates, documents, monies and cheques sent by post to, by or on behalf of the Company will be sent at the risk of the person(s) entitled thereto to the address specified in the Application Form (or in the case of multiple applicants the first named);

(xiii) warrants that, if an Application Form is signed on behalf of somebody else, the signatory has the authority to do so and such person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions; and

(xiv) authorises the Company or its agents to do all things necessary to effect registration into the applicant's name(s) of any ordinary shares for which his or her application is accepted and authorise any representative of the Company to execute and/or complete any document of title required therefor;

(xv) agrees not to transfer or to seek to transfer any Share allotted under this Share issue for a period of six months beginning on the date of issue of such Share; and

(xvi) warrants that they are not acting in concert with other parties.

8. Application Forms must be submitted in accordance with instructions for returning the Application Form set out in this document.

9. Allotments of Shares will be made at the discretion of the Board.

10. The Company may change the closing date by which applications must be received at its absolute discretion.

11. These terms and conditions may be amended from time to time by the Company by notice.

12. To ensure compliance with the Money Laundering Regulations 2007 as amended, updated, replaced or superseded from time to time, the Company may at its absolute discretion require verification of identity from any person lodging an Application Form (the "Applicant") and, without prejudice to the generality of the foregoing, in particular any person who either (i) tenders payment by way of cheque or bankers' draft drawn on an account in the name of a person or persons other than the Applicant or (ii) appears to be acting on behalf of some other person. In the former case, verification of the identity of the Applicant may be required. In the latter case, verification of the identity of any person on whose behalf the Applicant appears to be acting may be required. If within a reasonable period of time following a request for verification of identity and in any case by no later than 3.00 pm on the relevant date of allotment the Company has not received evidence satisfactory to it as aforesaid, the Company may, at its absolute discretion, reject any such application in which event the remittance submitted in respect of that application will be returned to the Applicant (without prejudice to the rights of the Company to undertake proceedings to recover any loss suffered by it as a result of the failure to produce satisfactory evidence of identity).

Completed application forms must be submitted by POST or by HAND to:-

Livingston Football Club Limited, The Share Manager, Reception, The Tony Macaroni Arena,
Alderstone Road, Livingston, West Lothian, EH54 7DN