



MEETING WITH EFL, REPRESENTATIVES OF PARLIAMENT AND DCMS

Attended by:

EFL

Trevor Birch
Nick Craig
Mark Rowan
John Nagle
Andrew Pomfret

Sarah Turner -STAR
Jack Simpson -STAR
Matthew Batten -STAR

Ashley Brown – FSA
Jess Grundy - FSA

Robbie Summers
Damian Green
Henry Irvine
Susie Bridge
Joshua Tarling

28 MARCH 2025

The EFL gave an update on the complexity of the situation and the limitations of how they can help.

LATEST UPDATE

It is now common knowledge that Mr Dai has been disqualified - this relates to unsatisfied judgments in the Far East. In respect of some, he's also been designated a dishonest debtor. The last update to the EFL Owners' and Directors' Test (OADT) added unsatisfied court judgments. Once the EFL received these details, they could issue notice of disqualification.

OADT is a test of eligibility not suitability. You're either subject to disqualifying condition or not. The EFL wanted to ensure they had clear and irrefutable evidence and once satisfied, rules were engaged, and notice was served in February.

An individual who is disqualified has 14 days to appeal, but in this case, there was no appeal. With no appeal Mr Dai has 28 days to divest being a Club director (means resigning, selling shares etc).

Rules provide that if Mr Dai does not divest, the EFL has the power to suspend the Club from participation. This is not removing us from the league but suspending us from playing in matches (a lesser measure).

It is clear that we will not meet the 28-day deadline – the Club has asked for an extension. The full amount the Club asked for was not granted but they were provided with an extension until 5 April, a date after the next regularly scheduled EFL Board meeting next Thursday, after which the next update is expected.

WHERE WE ARE AT TODAY

- Anticipate further update from Club next week including update on sale process
- EFL Board will meet on Thursday and consider matters at that point in time

If the EFL Board sees progress, then we do anticipate a further extension. Objective is to see Reading



continue as a member of the EFL under new ownership. But the EFL does need to see progress. If no progress or likelihood of sale, then suspension may well become the only option.

The Club would remain member of the league, but they would be banned from playing. The EFL would need to decide what to do about matches that they would have been due to play. Also, this scenario would have wider impact on the league table/other Clubs. Not an easy discussion for them to have in those circumstances. There is no precedent for this situation.

The EFL know the Club's holding company went to the High Court to try to get an order seeking discharge of securities that Redwood Holding have over certain assets at this moment in time. This was good tangible progress in the owner showing intent to sell. The judge laid out alternative solutions to overcome the hurdles.

It is now up to the Club, Owner and Mr Couhig to resolve the situation so the Club can be sold as a going concern. The Club has gone public to say a proposal has been put forward. So, we await further updates. Mr Couhig has gone public that he is interested in acquiring the Club. The EFL is in contact with both sets of solicitors/lawyers. It isn't the role of the EFL to decide who it is sold to, but that there is a buyer ready, willing and able. The EFL has spoken to the buyer in exclusivity, but no checks have been started (they wouldn't normally until a sale has been agreed).

STAR asked the EFL if it was concerned about influence of Redwood last Season and again now. The EFL confirmed there was no evidence of breach of regulations available at present but if any evidence was presented it would have to be considered.