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BIRMINGHAM INTERNATIONAL HOLDINGS LIMITED **伯明翰環球控股有限公司**

(Incorporated in the Cayman Island with limited liability)
(Stock Code: 2309)

ANNOUNCEMENT CONTINUING OBLIGATIONS PURSUANT TO RULE 13.09

This announcement is made by Birmingham International Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to update its shareholders on the development and the progress of the application for resumption of trading of the Company’s shares on the Stock Exchange.

A. CURRENT STATUS

Trading in the shares of the Company are still under suspension and any resumption of trading will require the Company to satisfy The Stock Exchange of Hong Kong Limited that the following resumption conditions had been met: (i) inform the market of all material information about the Alleged Offences against Mr. Yeung Ka Sing, Carson that is necessary to appraise the Group’s position, including their implications to the Group’s operations, assets and financial position; (ii) demonstrate circumstances no longer exist to suggest that there may be significant deficiencies in internal control systems and there is no reasonable regulatory concern about management integrity which will pose a risk to investors and damage market confidence; (iii) publish the outstanding financial results and address concerns, if any, raised by the auditors through qualifications in their audit report; and (iv) demonstrate that there are adequate financial reporting procedures and internal control systems to meet obligations under the Listing Rules.

B. PROGRESS OF REMEDIAL ACTIONS TO ACHIEVE RESUMPTION OF TRADING

(i) New auditor

A series of meetings had been held by the managing director and an executive director with a new auditor firm and the outstanding issues had been discussed. It is hoped that the engagement of the new auditor could be concluded soon. The prospective auditor is a reputable international professional firm experienced in handling audit of Hong Kong listed companies. A further announcement of the appointment will be made as and when applicable.

To further enhance the internal financial reporting standards, a qualified Certified Public Accountant had been hired as the Corporate Accountant of the Company.

(ii) Internal control systems review

The same prospective auditor's associate corporate consultancy firm will also be engaged to conduct a full review of the internal control systems of the Group and to prepare a report with recommendations. The Board shall then study the report and to implement appropriate internal control systems. The internal control systems review will also cover preparation of management and financial corporate procedural manuals and accountability systems to streamline and to strengthen the internal management systems.

The review will also cover a number of past contracts entered into by the Company to identify if there had been any breaches of fiduciary duties by the past/existing directors and to identify if there had been any loss suffered by the Group as a result and further to see if any actions could be taken against those concerned.

A separate review will also be conducted in relation to the acquisition by the Company of Birmingham City Football Club ("BCFC") in 2009 to identify if it was done so only after proper and adequate due diligence by the Board at the time utilizing BDO LLP UK through BDO Limited ("BDO") and to identify if there are any remedial actions that may be taken and to study the goodwill assessments made by the Board at the time and the impairments made regarding the acquisition soon afterwards.

C. CHANGES TO THE BOARD

The Board will continue to evolve and further resignations and appointments are envisaged as the existing management/personnel structure of the Group is reorganized and to the extent that this involves directors and/or senior members of the management, further announcement(s) will be made as and when applicable.

D. IDENTIFICATION OF PROSPECTIVE BUYERS OF BCFC

As previously announced on 21 September 2012 and 9 October 2012, the Board has been approached by several prospective buyers who had shown interest in the purchase of BCFC, which is the Company's sole operating assets. Given the fact that confidential non-disclosure agreements had been entered into with three of the parties who are still in pursuit, two in Hong Kong and one in the United Kingdom, it is inappropriate to divulge detailed information of the status of the negotiations. The Board wishes to inform the shareholders that the criteria that the Board shall adopt in this disposal would be to identify a new owner who could take BCFC to the next level both in terms of their financial standing, business acumen and overall suitability and the nature of their offer and the overall terms of the offer.

A balance will be struck between what is the most beneficial for the shareholders and what is the most appropriate for the development of BCFC as the Board acknowledges that football is a business where, *inter alia*, the aspirations of the fans need to be considered.

The negotiation with one of the parties in Hong Kong is at an advanced stage although no conditional binding agreement had been entered into between the parties. The transaction, if it proceeds, will constitute a very substantial disposal transaction by the Company under the Listing Rules and will be subject to the approval of the shareholders in a general meeting. A detailed announcement will be made as and when appropriate.

The Board further wishes to urge the shareholders not to react to speculative media reports and to rely on official announcements. Any prospective buyer(s) of BCFC or any prospective investor(s) in the Company trying to achieve the same objective will be carefully scrutinized and appropriate announcement(s) under the Listing Rules and/or the Hong Kong Code on Takeovers and Mergers and Share Repurchases will be made where applicable and where appropriate.

E. DEBT RESTRUCTURING

The Board is in active discussions with its creditors to investigate, verify and to agree and restructure the outstanding debts so as to alleviate the cash outflow issues and to minimize the financial liabilities of the Company whilst the sale and restructuring is ongoing. No concrete terms had been agreed and further announcement(s) will be made when appropriate.

Trading in the shares of the Company has been suspended since 30 June 2011, and will remain in suspension until further notice.

By Order of the Board
Birmingham International Holdings Limited
Peter Pannu
Managing Director, Executive Director and Chief Executive Officer

Hong Kong, 23 November 2012

As at the date hereof, the executive directors of the Company are Mr. Yeung Ka Sing, Carson, Mr. Peter Pannu, Mr. Lee Yiu Tung, Mr. Chan Shun Wah, Ms. Wong Po Ling, Pauline and Mr. Cheung Kwai Nang and the independent non-executive directors are Mr. Yau Yan Ming, Raymond, Mr. Zhou Han Ping and Mr. Wong Ka Chun, Carson.