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BIRMINGHAM INTERNATIONAL HOLDINGS LIMITED

伯明翰環球控股有限公司

(Receivers Appointed)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2309)

ANNOUNCEMENT PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE AND INSIDE INFORMATION AND CONTINUOUS SUSPENSION OF TRADING

This announcement is made by the Receivers of Birmingham International Holdings Limited (the “**Company**”), together with its subsidiaries, pursuant to Rule 3.7 of the Takeovers Code, Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the announcements (“**Announcements**”) of the Company dated 8 April 2015, 8 May 2015 and 8 June 2015 in relation to the possible restructuring and continuous suspension of trading. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise specified.

UPDATE ON THE POSSIBLE RESTRUCTURING

The Board wishes to inform the Shareholders and potential investors that on 19 June 2015, Trillion Trophy Asia Limited (the “**Potential Offeror**”), the ultimate beneficial owner(s) of which are third party(ies) independent of and not connected with the Company, the Company and the Receivers (collectively, the “**Parties**”) entered into an exclusivity agreement (the “**Exclusivity Agreement**”) in relation to the subscription and/or purchase of shares in the Company and/or Birmingham City Plc, a 96.64% owned subsidiary of the Company which in turn owns the entire issued share capital of Birmingham City Football Club Plc (the “**Club**”), by the Potential Offeror (the “**Investment**”). The

definitive terms of the Investment are subject to further negotiation between the Receivers and the Potential Offeror. The Investment, if proceeded, may or may not result in the change in control of the Company and may or may not lead to general offer under Rule 26.1 of the Takeovers Code.

MAJOR TERMS OF THE EXCLUSIVITY AGREEMENT

Pursuant to the Exclusivity Agreement, the Company and the Receivers have agreed to provide an exclusivity period for the Potential Offeror to consider and ascertain its proposed Investment and for the Parties to identify, and mutually acknowledge and agree, the basic principle terms and conditions which would serve as the bases for the preparation of binding agreements and other restructuring documentation in relation to the Investment.

Exclusivity

Each of the Company and the Receivers undertakes to the Potential Offeror that during the period commencing from the date of the Exclusivity Agreement and ending on the earlier of the expiration of 24 months (or such other period as may be agreed by the Parties in writing) from the date of the Exclusivity Agreement or the execution of a formal subscription/sale and purchase agreement in respect of the Investment (or such other period as may be agreed in writing between the Parties) (the “**Exclusivity Period**”), each of the Company and the Receivers shall not solicit or initiate the submission of or actively respond to any proposal from, or enter into negotiations or sign any agreement or arrangement with, any other party, whether a legal entity or an individual, in relation to investment in or otherwise deal with any interests in the Company and/or Birmingham City Plc, in the case of any agreement or arrangement with any third party, whether or not such agreement or arrangement would take place during or after the date of the Exclusivity Agreement.

The Receivers further undertake to the Potential Offeror to procure the Company not to issue any shares, warrants or other securities or loan capital or grant or agree to grant any option over or right to acquire or convert into any share or loan capital of the Company during the Exclusivity Period to any third party, except (where applicable) pursuant to the exercise of any options or rights granted prior to the date of the Exclusivity Agreement or any grant of options in accordance with the terms of any employee stock option scheme adopted by the Company prior to the date of the Exclusivity Agreement or any exercise of the same or to the Potential Offeror.

Secured loan facility

In consideration for the grant of the Exclusivity Period to the Potential Offeror, the Potential Offeror shall as soon as practicable upon execution of the Exclusivity Agreement make available to the Company a loan facility of HK\$153,000,000 and the deposit of not more than GBP880,000 (equivalent to approximately HK\$10,300,000) (the “**Facility**”) as security for the loan or bank facilities granted by HSBC in the United Kingdom to the Club on terms and conditions to be agreed by the Parties and documented in a separate facility agreement.

As collateral for the Facility, the Company will procure the grant to the Potential Offeror (i) a first legal charge over the property (i.e. the football stadium together with the land where it is situated) owned by the Club; (ii) a first floating charge over all the assets, goodwill, undertaking and uncalled capital, both present and future given by the Club; and (iii) a first fixed charge over all book and other debts given by the Club.

In the event that the Potential Offeror shall be unable to deliver the amount contemplated under the separate facility agreement, the Exclusivity Agreement shall terminate immediately without prejudice to any of their rights or remedy available to the Company and the Receivers.

Termination

The Exclusivity Agreement shall terminate on the earliest of:

- (a) the expiration of the Exclusivity Period;
- (b) the entering into of a formal subscription/sale and purchase agreement in respect of the Investment; and
- (c) the effective date of termination upon the Receiver(s) exercising its/their right at its/their sole and absolute discretion at any time during the Exclusivity Period without incurring any liability of whatsoever nature to the other Parties to terminate the Exclusivity Agreement by serving written notice of such intention to the other Parties by reason of the failure of any person nominated by the Potential Offeror or its affiliate in becoming an Officer (as defined under The Football Association Limited's Owners' and Directors' Test Regulations (the "**Regulations**")) of the Club or in meeting the obligations placed on them under the Regulations while serving the Club at any time during the Exclusivity Period.

ADDITIONAL LOAN AGREEMENT

In addition to the Company's announcements dated 8 May 2015 in respect of the funding commitment of a revolving facility in the amount of HK\$153,000,000 and 8 June 2015 in respect of a short term facility in the amount of HK\$13,500,000 (the "**Loan A**") which is intended to be forming part of the Facility, the Receivers announce that the Company (the "**Borrower**") has entered into an additional loan agreement with the Potential Offeror as lender on 11 June 2015 pursuant to which it has agreed to grant to the Borrower a facility in the principal amount of HK\$10,000,000 (the "**Loan B**", together with the Loan A, the "**Loans**") which is also intended to be forming part of the Facility. The Loans bear interest at a rate of 8% per annum and were granted on an unsecured basis. The Loans will be repaid together with interest accrued thereon on 27 July 2015 if the Borrower fails to execute formal loan agreement and security documentation in respect of the Facility on or before 27 July 2015. Subject to the execution of formal loan agreement and security documentation and taking into account of the Loans in the aggregate sum of HK\$23,500,000 already drawdown by the Company, further amounts of HK\$129,500,000 and not more than GBP880,000 (equivalent to approximately HK\$10,300,000) shall be made available by the Potential Offeror to the Company under the Facility.

MONTHLY UPDATE

Further announcement(s) setting out the progress of the possible restructuring will be made as and when necessary in accordance with the Listing Rules and the Takeovers Code, and on a monthly basis in compliance with Rule 3.7 of the Takeovers Code until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or a decision not to proceed with the possible restructuring is made.

CONTINUOUS SUSPENSION OF TRADING

At the request of the Company, trading in the shares on the Stock Exchange was halted with effect from 10:21 a.m. on 4 December 2014. Trading in the shares will remain suspended until further notice. The Company will make further announcements on the latest development of the Group as and when appropriate pursuant to the requirements of the Listing Rules.

Shareholders and potential investors of the Company should be aware that the discussions in respect of the possible restructuring are still ongoing. There is no assurance that any discussions mentioned in this announcement will either be materialized or eventually be consummated. As such, the discussions may or may not lead to the making of a general offer for the shares of the Company. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

For and on behalf of

Birmingham International Holdings Limited

(Receivers Appointed)

Liu Yiu Keung Stephen, Yen Ching Wai David and Koo Chi Sum

Joint and Several Receivers

Hong Kong, 25 June 2015

As at the date of this announcement, the Board comprises 7 Directors, namely Mr. Liu Yiu Keung Stephen, Mr. Yen Ching Wai David and Ms. Koo Chi Sum as executive Directors; and Mr. Cheung Yuk Ming, Mr. Law Pui Cheung, Mr. Lai Hin Wing Henry Stephen and Mr. Wong Ka Chun Carson as independent non-executive Directors.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

For the purpose of this announcement, unless otherwise stated, conversion of GBP into HK\$ is based on the approximate exchange rate of GBP1.00 against HK\$11.70. The exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been, could have been or may be exchanged at this or any other rates at all.