

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities mentioned herein.



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

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2309)

DISCLOSEABLE AND CONNECTED TRANSACTION REGARDING THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF THE TARGET COMPANY

THE AGREEMENT

The Board announces that on 9 December 2010, the Purchaser, the Vendor and the Guarantor entered into the Agreement pursuant to which the Purchaser conditionally agreed to purchase and the Vendor conditionally agreed to sell the Sale Share, representing the entire issued share capital of the Target Company, at an aggregate consideration of RMB75,000,000 (approximately HK\$87,375,000). The Consideration will be satisfied in cash as to RMB20,000,000 (approximately HK\$23,300,000) and by the Purchaser procuring the issue of the Convertible Bond by the Company, representing the balance of Consideration of RMB55,000,000 (approximately HK\$64,075,000) upon Completion.

LISTING RULES IMPLICATION

As each of the applicable percentage ratios for the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules. As the Vendor is wholly-owned by Mr. Yeung Ka Sing, Carson, an executive Director, the Acquisition also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the approval of the Independent Shareholders at the EGM.

The Independent Board Committee has been established to advise the Independent Shareholders in relation to the Acquisition. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Acquisition.

A circular containing, among other things, (a) further details of the Acquisition; (b) a letter from the Independent Board Committee containing its advice and recommendation to the Independent Shareholders in respect of the Acquisition; and (c) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders containing its advice to them in respect of the Acquisition will be sent to Shareholders as soon as practicable in accordance with the Listing Rules.

Shareholders and investors should note that the Agreement is subject to various conditions as stated in the section headed “Conditions precedent” herein and therefore the Acquisition may or may not complete. As such, investors and Shareholders are urged to exercise caution when dealing in the Shares.

THE AGREEMENT

Date:

9 December 2010

Parties:

- (1) Leader Ahead Investments Limited, a wholly-owned subsidiary of the Company, as Purchaser;
- (2) Good Partners Group Limited, an investment holding company incorporated in the BVI with limited liability, as Vendor; and
- (3) Mr. Yeung Ka Sing, Carson, an executive Director, as a guarantor to guarantee to the Purchaser the due performance of the Vendor under the Agreement in all material respects including, without limitation to, the target sum set out in the section headed “Consideration Adjustment” in this announcement and to give the warranties set out in the Agreement.

To the best of the information, knowledge and belief of the Directors having made all reasonable enquiries, the Vendor is principally engaged in investment holding and is wholly and beneficially owned by Mr. Yeung, an executive Director.

There was no prior transaction between the Company and the Vendor and its associates in the past 12 months prior to the date of the Agreement which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

Assets to be acquired

The Sale Share, representing the entire issued share capital of the Target Company.

Consideration and payment terms

The Consideration of RMB75,000,000 (approximately HK\$87,375,000) was arrived at after arms' length negotiations among the parties to the Agreement on normal commercial terms.

The Consideration was determined after taking into account (i) the Target Sum; and (ii) the draft valuation report to be issued by an independent professional valuer appointed by the Purchaser showing that the gross development value of the completed Property being not less than RMB400,000,000 (approximately HK\$466,000,000).

In view of the above, the Directors (excluding the independent non-executive Directors who will reserve their judgment after taking advice from the independent financial adviser) consider that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Consideration will be satisfied in cash as to RMB20,000,000 (approximately HK\$23,300,000) and by the Purchaser procuring the issue of the Convertible Bond by the Company, representing the balance of Consideration of RMB55,000,000 (approximately HK\$64,075,000) upon Completion; provided, however, that (a) the aggregate number of the Shares held by the Vendor and its concert parties (as defined under the Code) which when aggregate together with their existing Shares held shall not exceed 29.0% of the issued share capital of the Company from time to time; and (b) the public float of the Shares shall not be less than 25% (or any given percentage as required by the Listing Rules) of the total issued Shares from time to time.

Conditions precedent

Completion is subject to each of the following conditions being satisfied in all respects:

- (i) the passing by the Independent Shareholders of a resolution to approve this Agreement and the transactions contemplated thereunder, including but not limited to the issue of the Convertible Bond and the allotment and issue of the Conversion Shares at a general meeting of the Company in accordance with the Listing Rules;
- (ii) the Purchaser undertaking a due diligence investigation in respect of the Target Group including but not limited to the affairs, business, assets, results, legal and financing structure of the Target Group and the Purchaser being in its absolute discretion satisfied with the results of such due diligence investigation;
- (iii) receipt by the Purchaser of a legal opinion in form and substance satisfactory to the Purchaser by a practising lawyer in the PRC appointed by the Purchaser confirming, inter alia, the following:
 - (i) the Target Company is the legal and beneficial owner of 50% equity interest in the PRC Co. and all the certificates, business license, permits and consents in relation to the establishment of the PRC Co. as a sino-foreign equity joint venture company in the PRC have been obtained;

- (ii) the PRC Co. is the legal and beneficial owner of the Property;
 - (iii) all the necessary certificates, licences, permits, and consents in respect of the PRC Co.'s business operations in the PRC have been obtained including but not limited to all the necessary certificates, licences, permits, and consents issued by the State Administration for Foreign Exchange, State Administration for Industry and Commerce and the Ministry of Commerce;
 - (iv) the PRC Co. has legally obtained the land use rights certificate in respect of the use of the Property for commercial premises, construction works planning permit, works commencement permit, pre-sale permits and construction land planning licence for the construction, development and sale of the Property;
 - (v) all the procedures relating to site clearance and demolition and removal of all subsisting buildings and structures from the Property have been made in compliance with the PRC law; all land use rights premium, compensation payable to relocation and/or evacuation of owners, residents or occupiers from the Property have been fully and duly paid;
 - (vi) any other matters to be included upon request by the Purchaser.
- (iv) receipt by the Purchaser at its own expense to its satisfaction and in its sole discretion of a valuation report issued by an independent professional valuer appointed by the Purchaser showing that showing that the gross development value of the completed Property being no less than RMB400,000,000 (approximately HK\$466,000,000). Fair market value means the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties on an arm's length transaction;
 - (v) all Consents of the Stock Exchange and the Securities and Futures Commission (if necessary) and all filings with any relevant governmental or regulatory authorities and other relevant third parties in Hong Kong, the PRC, the BVI and the Cayman Islands or elsewhere which are required or appropriate for the entering into and the implementation of this Agreement having been given or made; all waiting periods required under the laws of Hong Kong, the PRC, the BVI, the Cayman Islands or any other relevant jurisdictions having expired or terminated; and all applicable statutory or other legal obligations having been complied with;
 - (vi) no event having occurred since the date hereof to Completion, the consequence of which is to materially and adversely affect the financial position, business or property, results of operations or business prospects of the Target Company and such material adverse effect shall not have been caused;
 - (vii) the warranties in the Agreement remaining true, accurate and correct in all material respects; and
 - (viii) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Conversion Shares.

If the above conditions have not been fulfilled (or as the case may be, waived by the Purchaser other than conditions (i), (iii) and (viii)) on or before 5:00 p.m. on the Long Stop Date (or such later date as the Vendor and the Purchaser may agree in writing) or following the fulfilment of the conditions, the Vendor or the Purchaser shall fail to complete the sale and purchase of the Sale Share in accordance with the terms and conditions contained in the Agreement and the Purchaser gives notice to terminate the Agreement, the Agreement shall thereupon terminate and neither party shall thereafter have further claims against the other under the Agreement for costs, damages compensation or otherwise, save for antecedent breaches.

Completion

Completion of the Agreement will take place within 3 Business Days after the fulfilment of the last of the conditions precedent or at such other time as the parties may agree.

After Completion, the Target Company will become a wholly-owned subsidiary of the Company. The financial statements of the Target Company will be consolidated in the accounts of the Group after Completion.

Convertible Bond

The Convertible Bond will be issued in an aggregate principal amount of HK\$64,075,000. The 320,375,000 Conversion Shares to be allotted and issued at the Conversion Price represent (i) approximately 10.05% of the existing issued share capital of the Company; (ii) approximately 9.13% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares, assuming full conversion of the Convertible Bond and the Conversion Shares are to be allotted and issued at the Conversion Price.

The principal terms of the Convertible Bond to be issued by the Company are set out as follows:

Issuer:	the Company
Principal amount:	HK\$64,075,000
Issue price:	100% of the principal amount of the Convertible Bond
Interest:	Nil
Maturity Date:	the date falling 5 years from the date of issue of the Convertible Bond
Date of issue:	upon Completion
Conversion period:	from the date of issue of the Convertible Bond to and including the maturity date

Conversion Price:

HK\$0.2 per Conversion Share subject to adjustments in each of the following cases (detailed provisions are set out in the terms and conditions of the Convertible Bond):

- (a) an alteration of the nominal amount of the Shares by reason of any consolidation or subdivision;
- (b) an issue (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund);
- (c) a capital distribution being made by the Company, whether on a reduction of capital or otherwise, to the Shareholders in their capacity as such or rights being granted to Shareholders to acquire for cash assets of the Group;
- (d) an offer or grant being made by the Company to the Shareholders by way of rights or of options or warrants to subscribe for or purchase Shares at a price which is less than 80% of the market price;
- (e) an issue wholly for cash being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per Share initially receivable for such securities is less than the greater of either 80% of the market price or the Conversion Price in effect, or the terms of any such rights of conversion or exchange or subscription attached to any such securities being modified so that the said total effective consideration per Share initially receivable for such securities is less than the greater of either 80% of the market price or the Conversion Price in effect;
- (f) an issue being made by the Company wholly for cash of Shares (other than Shares allotted and issued pursuant to an employee share option scheme of the Company) at a price per Share less than the greater of either 80% of the market price or the Conversion Price in effect; and
- (g) an issue being made by the Company of Shares for the acquisition of asset at a total effective consideration per Share less than the greater of either 80% of the market price or the Conversion Price in effect.

Conversion:	The Convertible Bond may be converted at any time from the date of issue up to the maturity date in multiples of HK\$1,000,000
Ranking:	The Conversion Shares, when allotted and issued, will rank pari passu in all respects with all Shares in issue at the date of allotment and issue of such Conversion Shares
Limitation on conversion:	No conversion of the Convertible Bond shall be made, if immediately upon such conversion, (i) the Bondholder and its parties acting in concert (as defined under the Code) with it in aggregate hold more than 29.9% of the issued share capital of the Company from time to time; and (ii) the public float of the Shares is less than 25% (or any given percentage as required by the Listing Rules) of the total issued Shares
Redemption:	Unless conversion notice shall have been previously given by the Bondholder to the Company, the Company may, by giving the Bondholder not less than 7 day's prior written notice specifying the principal amount of the Convertible Bond to be redeemed and the date of such redemption, at any time after the date of issue of the Convertible Bond redeem the Convertible Bond (or part thereof) at a value equal to the principal amount of the Convertible Bond to be redeemed as specified in the redemption notice. Any such redemption shall be made in amount of not less than a whole multiple of HK\$1,000,000.
Transferability:	The Convertible Bond (or any part thereof) may not be transferred without the prior written consent of the Company, except by a transfer to wholly-owned subsidiaries or the holding company (as defined in the Companies Ordinance (Cap.32 of the Laws of Hong Kong)) of the Bondholder. The Convertible Bond may not be transferred by the Bondholder, without the prior written consent of the Company, to any connected person (as defined in the Listing Rules) of the Company.
Governing Law:	Hong Kong

The Conversion Shares will be allotted and issued under a specific mandate to be sought from the Independent Shareholders at the EGM.

Issue Price and Conversion Price

The Conversion Price of HK\$0.20 for each Conversion Share was determined after arm's length negotiations between the Purchaser and the Vendor, representing:

- (a) a premium of approximately 2.04% to the closing price of HK\$0.196 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (b) a premium of approximately 2.56% to the average closing prices of approximately HK\$0.195 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and
- (c) a premium of approximately 2.56% to the average closing price of approximately HK\$0.195 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day.

Application for Listing

No application will be made by the Company to the Listing Committee for the listing of the Convertible Bond.

Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bond.

Consideration Adjustment

Pursuant to the Agreement, the Vendor and the Guarantor has jointly, severally, irrevocably and unconditionally warranted, guaranteed and undertaken to and with the Purchaser that the aggregate consolidated Net Profits of the Target Group for the Relevant Period as to be shown in the audited accounts of the Target Group for such period to be prepared by a certified public accountants acceptable to the Purchaser shall not be less than RMB75,000,000 (approximately HK\$87,375,000) (the “**Target Sum**”).

In the event that the aggregate Net Profits of the Target Group for the Relevant Period is less than the Target Sum, the Purchaser shall be entitled to deduct from the Escrowed Convertible Bond, and/or receive cash and/or marketable securities to the extent that the Escrowed Convertible Bond is insufficient to cover the balance Target Sum (as the case may be) at the end of the Relevant Period calculated as follows (the “**Adjustment Amount**”):

$$\text{Adjustment Amount} = (\text{Target Sum} - \text{Net Profits})$$

In the event that the Target Group incurs a loss for the Relevant Period, the Purchaser shall be entitled to deduct the Adjustment Amount (ie. the Target Sum) from the Escrowed Convertible Bond and, to the extent insufficient to cover the Adjustment Amount, and/or receive that amount or balance in cash and/or marketable securities.

The deduction and/or cash sum and/or marketable securities (as the case may be) shall be made/paid by the Vendor and the Guarantor to the Purchaser within 7 Business Days after the audited consolidated accounts of the Target Group for the Relevant Period have been prepared.

In the event that the Target Sum has met/attained by the Target Group or that the Adjustment Amount has been paid in full, the Escrowed Convertible Bond (as defined below) held in escrow shall be released to the Vendor at the end of the Relevant Period.

The Target Sum is determined with reference to various factors, namely (a) the valuation report to be provided by an independent valuer showing that the fair market value of the Property being no less than RMB400,000,000 (approximately HK\$466,000,000); (b) an arm's length agreement among the parties to the Agreement; and (c) all the commercial terms comprising the Agreement.

Undertakings by the Vendor and the Guarantor

Pursuant to the Agreement, the Guarantor has undertaken to and covenanted with the Purchaser that forthwith upon Completion, he shall procure the Vendor to deposit with an escrow agent as may be agreed between the parties hereto, the instrument constituting the Convertible Bond representing an aggregate amount of HK\$64,075,000 as at the Completion Date (the “**Escrowed Convertible Bond**”) on and subject to such terms and conditions of an escrow letter as may be agreed between the parties hereto.

In the event that the Target Sum during the Relevant Period is not met/attained (as the case may be) and the Adjustment Amount has not been paid by the Vendor in cash and/or marketable securities (as the case may be), the Purchaser is entitled to deduct from the Escrowed Convertible Bond the shortfall which shall be equal to the difference between the Target Sum and the Net Profits during the Relevant Period. The balance of the Escrowed Convertible Bond representing the sum payable to the Vendor (if any) shall be returned to the Vendor.

Option

Under the Agreement, the Vendor and the Guarantor have granted an option to the Purchaser to acquire a further 40% equity interested in the PRC Co. at a purchase price to be agreed by the parties. Such option is exercisable by the Purchaser at any time upon the Vendor or the Guarantor having acquired a further 40% equity interested in the PRC Co. from the Independent Third Party.

INFORMATION ON THE TARGET COMPANY AND PRC CO.

The Target Company is an investment holding company incorporated in the BVI with limited liability and wholly and beneficially owned by Mr. Yeung, an executive Director. Pursuant to the property development contract dated 21 October 2010 and entered into between the Vendor and the PRC Co. (the “**Property Development Contract**”), the Vendor has agreed to procure itself or its nominee to acquire 50% equity interest in the registered capital of the PRC Co. in order to establish a sino-foreign equity joint venture company in the PRC to hold the Property.

Based on the preliminary advice from the PRC legal advisers, the entering into of the Property Development Contract and the transactions contemplated thereunder will not contravene or violate PRC laws.

Save and except the Property Development Contract, no other agreements were signed by the Vendor and the PRC Co as at the date of this announcement.

As the Target Company has not commenced business since the date of its incorporation on 1 November 2010, the Target Company has no turnover, net profit before or after taxation and extraordinary items since the date of its incorporation and no significant assets and liabilities as at the date of this announcement.

PRC Co. is a company incorporated in the PRC on 7 August 2009 with registered capital of RMB10,000,000. As at the date of this announcement, PRC Co. is wholly-owned by an Independent Third Party and is principally engaged in the development, construction and sale of properties in the PRC. PRC Co. is the sole legal and beneficial owner of the Property as at the date of the Agreement. Upon Completion, PRC Co. will be owned as to 50% by the Target Company and Independent Third Parties.

The following is the financial information of the PRC Co. for the period from 7 August 2009 (being the date of its incorporation) to 30 November 2010 (unaudited) which is extracted from the unaudited financial statements and management accounts of the PRC Co.:

	<i>RMB</i>
Turnover	0
Net profit (loss) before taxation and extraordinary items	(881,169.72)
Net profit (loss) loss after taxation and extraordinary items	(881,169.72)
Net Assets	9,118,830.28

Given that: (a) the Vendor has nominated the Target Company to acquire 50% equity interest in the registered capital of the PRC Co. pursuant to the Property Development Contract; and (b) the Vendor has already signed the Property Development Contract with the Independent Third Party as at the date of the Agreement, the Board is of the view that the Company can only acquire the Property through the Target Company.

INFORMATION ON THE PROPERTY

The Property is a parcel land located at A3, Division R, West Wing, Sha Ping District, Chongqing, PRC (中國重慶市沙坪壩區西永組團R分區A3地塊). The site, with an area of approximately 12,198 square meters, is being developed into commercial buildings with a total gross floor area of approximately 57,434.24 square meters. The current building plan, has been approved by the relevant PRC building authorities. Upon completion of the development, the Property will be multi-storey commercial buildings. The super structure of the Property has been completed. The Property is expected to be pre-sale by the first half year of 2011.

The source of funding for financing the construction of the Property will be financed by PRC Co. There is no further contractual capital commitment for the Company in relation to the Acquisition.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company. The Group is principally engaged in operating a Premier League football club, apparel sourcing, apparel trading and provision of entertainment services. To diversify the business of the Group, the Company has been seeking various investment opportunities.

Upon the completion of the Property, the Acquisition will contribute to the profitability of the Company. Having taken into account (i) the Target Sum and (ii) the fair market value of Property being not less than RMB400,000,000 (approximately HK\$466,000,000), the Board is of the opinion that the Acquisition provides a good opportunity for the Company to participate in the property market in the PRC, which in turn will not only enlarge increase the market exposure of the Group, but will also broaden the Group's revenue base which would have a positive impact on the profitability of the Company. Following completion of the Acquisition, the Company will continue with its existing businesses.

The Directors (excluding the independent non-executive Directors who will reserve their judgment after taking advice from the independent financial adviser) are of the view that the Agreement and the transactions contemplated therein are (a) fair and reasonable and in the interests of the Company and the Shareholders as a whole; (b) in the ordinary and usual course of business of the Company; and (c) on normal commercial terms which have been negotiated on an arm's length basis.

EFFECT ON SHAREHOLDING STRUCTURE

The existing shareholding structure of the Company: (a) as at the date of this announcement; and (b) upon exercise the conversion rights attaching to the Convertible Bond are set out as follows:

Shareholders	As at the date of this announcement		Upon exercise the conversion rights attaching to the Convertible Bond	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Great Luck Management Limited (<i>Note 1</i>)	405,469,066	12.72	405,469,066	11.56
Mr. Yeung	185,452,800	5.82	185,452,800	5.29
Premier Rise Investments Limited (<i>Note 2</i>)	163,800,000	5.14	163,800,000	4.67
Vendor (<i>Note 3</i>)			320,375,000	9.13
Public				
Other public Shareholders	2,433,031,534	76.32	2,433,031,534	69.35
Total	3,187,753,400	100.00	3,508,128,400	100.00

Notes:

1. Great Luck Management Limited is a company incorporated in the BVI and wholly-owned by Mr. Yeung, an executive Director.
2. Premier Rise Investments Limited is a company incorporated in the BVI and wholly-owned by Mr. Hui Ho Luek, Vico, an executive Director.
3. The Vendor is wholly and beneficially owned by Mr. Yeung, an executive Director.

LISTING RULES IMPLICATION

As each of the applicable percentage ratios for the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules. As the Vendor is wholly-owned by Mr. Yeung, an executive Director, the Acquisition also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the approval of the Independent Shareholders at the EGM.

The Vendor, Mr. Yeung and their respective associates have material interests in the transactions contemplated under the Agreement and shall abstain from voting at the EGM. To the best knowledge of the Directors, other than the Vendor, Mr. Yeung and their respective associates, no Shareholder is required to abstain from voting at the EGM.

GENERAL

An Independent Board Committee comprising Mr. Chang Kin Man, Mr. Yau Yan Ming, Raymond and Mr. Zhou Han Ping has been formed to advise the Independent Shareholders in respect of the Agreement and the Acquisition contemplated thereunder. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Acquisition.

An EGM will be convened at which ordinary resolution(s) will be proposed to consider and, if thought fit, approve the Agreement and the transactions contemplated thereunder.

A circular containing, among other things, (a) further details of the Acquisition; (b) a letter from the Independent Board Committee containing its advice and recommendation to the Independent Shareholders in respect of the Acquisition; and (c) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders containing its advice to them in respect of the Acquisition will be sent to Shareholders as soon as practicable in accordance with the Listing Rules.

Shareholders and investors should note that the Agreement is subject to various conditions as stated in the section headed “Conditions precedent” herein and therefore the Acquisition may or may not complete. As such, investors and Shareholders are urged to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Acquisition”	the acquisition of the Sale Share under the Agreement and all the transactions contemplated thereunder
“Agreement”	the conditional sale and purchase agreement dated 9 December 2010 and entered into among the Purchaser, the Vendor and the Guarantor in respect of the Acquisition
“Board”	the board of directors of the Company
“Business Day”	a day (other than a Saturday) on which banks are open for business in Hong Kong
“BVI”	the British Virgin Islands
“Code”	the Hong Kong Code on Takeovers and Mergers
“Company”	Birmingham International Holdings Limited, a company incorporated in the Cayman Islands and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Agreement in accordance with the terms thereof
“Completion Date”	the third business day after the fulfilment of the last of the conditions precedent set out in the Agreement or such other date as may be agreed in writing between the parties hereto
“Consent”	any licence, consent, approval, authorisation, permission, waiver, order or exemption
“Consideration”	RMB75,000,000 (approximately HK\$87,375,000 and subject to adjustment), being the consideration payable by the Purchaser to the Vendor for the Sale Share under the Agreement
“Directors”	directors of the Company
“Connected Persons”	has the meaning ascribed thereto in the Listing Rules
“Convertible Bond”	a 5-year zero coupon convertible bond in the agreed form to be issued by the Company in favour of the Vendor upon Completion to satisfy part of the Consideration in a principal amount up to HK\$64,075,000 at the Conversion Price

“Conversion Price”	HK\$0.20 for each Conversion Share
“Conversion Shares”	the Shares, issued credited as fully paid, to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bond
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving, inter alia, the Agreement and the transaction contemplated thereunder including the issue of the Convertible Bond and the allotment and issue of the Conversion Shares
“Guarantor” or “Mr. Yeung”	Mr. Yeung Ka Sing, Carson, an executive Director
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	an independent board committee comprising all independent non-executive Directors, namely, Mr. Chang Kin Man, Mr. Yau Yan Ming, Raymond and Mr. Zhou Han Ping to advise the Independent Shareholders in respect of the Acquisition
“Independent Shareholders”	Shareholders other than the Vendor and Mr. Yeung together with their respective associates
“Independent Third Party”	a third party independent of the Company and the Connected Persons of the Company and is not a Connected Persons of the Company
“Last Trading Day”	9 December 2010, being the last trading day of the Shares immediately before the date of the Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the date falling 180 days from the date of the Agreement or such other later date as may be agreed between the Purchaser and the Vendor
“Mr. Yeung”	Mr. Yeung Ka Sing, Carson, an executive Director
“Net Profits”	the consolidated net profits after tax and extraordinary items of the Target Group as to be shown in its audited consolidated accounts for the Relevant Period to be prepared by a firm of certified public accountants in Hong Kong acceptable to the Purchaser

“PRC”	the People’s Republic of China, which, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administration Region of the PRC and Taiwan
“PRC Co.”	Chongqing Qingke Industrial Limited (重慶清科實業有限公司), a limited liability company incorporated in the PRC and wholly-owned by the Independent Third Party as at the date of the Agreement
“Property”	a piece of land located at A3, Division R, West Wing, Sha Ping District, Chongqing, PRC 中國重慶市沙坪壩區西永組團R分區A3地塊 which is being developed into commercial buildings with a total construction area of approximately 57,434.24 square meters
“Purchaser”	Leader Ahead Investments Limited, a wholly-owned subsidiary of the Company incorporated in the BVI
“Relevant Period”	the one-year period commencing from the Completion Date
“RMB”	means Renminbi, the lawful currency of the PRC
“Sale Share”	one ordinary share of US\$1.00 each in capital of the Target Company, representing the entire issued share capital of the Target Company
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Valuable Full Global Investments Limited, a company incorporated in the BVI and wholly-owned by the Vendor
“Target Group”	the Target Company, the PRC Co. and its subsidiaries from time to time
“Vendor”	Good Partners Group Limited, a company incorporated in the BVI and wholly-owned by the Guarantor
“%”	per cent

By Order of the Board
Birmingham International Holdings Limited
Hui Ho Luek, Vico
Executive Director and Chief Executive Officer

Hong Kong, 9 December 2010

The exchange rate used in this announcement is approximately RMB1=HK\$1.165. No representation is made that any amounts in RMB or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

As at the date of this announcement, the executive directors of the Company are Mr. Yeung Ka Sing, Carson, Mr. Hui Ho Luek, Vico, Mr. Steven McManaman, Mr. Lee Yiu Tung, Mr. Chan Shun Wah, Mr. Ip Wing Lun and Ms. Wong Po Ling, Pauline, the non-executive directors are Mr. Christian Lali Karembu and Mr. Chan Wai Keung and the independent non-executive directors are Mr. Chang Kin Man, Mr. Yau Yan Ming, Raymond and Mr. Zhou Han Ping.