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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)

ALLEGATIONS IN A COMPLAINT

This announcement is made by the Receivers of 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 (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) 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).

On 12 October 2015, the Company was notified by the Stock Exchange that it had received a complaint in which the complainant raised the following allegations against the Company namely, among others, (i) the Company’s recent announcements in relation to the possible restructuring did not explain the reasons why Trillion Trophy Asia Limited (“**Trillion Trophy**”) was chosen and why the other six bidders were rejected and the complainant claimed that Trillion Trophy was chosen due to the past connections between its ultimate shareholder and the Receivers; and (ii) Mr. Ma Shui Cheong (“**Mr. Ma**”) and Mr. Panagiotis Pavlakis (“**Mr. Panos**”), who were removed as executive directors of the Company in March 2015, have been retained as consultants and directors of the Company’s subsidiary, Birmingham City Football Club Plc. (the “**BCFC**”), and the complainant alleged that the only reason for retaining their positions in the Company’s subsidiary is to reward these persons for appointing Ernst & Young as the Company’s receiver (collectively “**Allegations**”, and each an “**Allegation**”).

In response to Allegation (i), the Receivers wish to update the shareholders of the Company (the “**Shareholders**”) and potential investors that, in identifying the suitable investor together with their respective offers, the Receivers were mindful that the Company must maintain a sufficient level of operations in order to maintain its listing status in accordance with Rule 13.24 of the Listing Rules. As such, the primary objective of the proposed restructuring is to rescue BCFC in order to maximize and protect the value of the Company and its assets which is in the interests of the Shareholders.

On 12 March 2015, the Receivers made a voluntary announcement informing the Shareholders and the public that the Receivers are open to a wide spectrum of options to preserve the value of the Group as a whole. To achieve the above objective, the Receivers appointed Goldin Financial Limited (“**Goldin**”) as its financial adviser with effect from 17 March 2015 to advise on the structure and terms of invitation for any proposals to preserve the Company’s value and to review and evaluate any proposals and advise the Receivers on the relative merits of offers received for the acquisition of the Company or BCFC or both the Company and BCFC from interested parties.

In total, Goldin received seven indicative non-binding offers (the “**INBOs**”) from various parties. Out of the seven INBOs, four INBOs were related to the acquisition of BCFC only. If those four INBOs were accepted, the listing status of the Company which has considerable value would be foregone given the requirement of Rule 13.24 of the Listing Rules.

The remaining three INBOs were related to the acquisition of the Company and BCFC as a whole. One of those remaining INBOs, having an indicative price lower than the respective estimated values of the Company and BCFC and not providing immediate funding to the Group, were not recommended by Goldin.

Accordingly, the Receivers shortlisted two INBOs. The Receivers were more receptive to the INBO from Trillion Trophy, given that its INBO in principle included immediate funding of HK\$120 million and organizing and/or delegating a team of professional managers to oversee the operation and development of the football club, while the other INBO was comparatively less favorable, considering (i) the funding was subject to issuance of convertible bonds and other conditions; and (ii) the INBO was given by an English interested party who does not possess any experience in corporate distress and restructuring.

Having considered all factors including the financial and liquidity position of the Group, the immediate need of funding for the operation of BCFC and obligation to meet the rules and regulations of The Football League, the Receivers believe that the INBO from Trillion Trophy would be more in line with the primary objective of the restructuring plan and in the interests of the Company and Shareholders as a whole. Goldin also made recommendation on the INBO from Trillion Trophy and the Receivers accepted it.

Upon further negotiations with Trillion Trophy, Trillion Trophy subsequently agreed to provide a revolving facility of HK\$153 million to the Company and a cash collateral equivalent to approximately HK\$9.8 million for securing additional financing from financial institutions in the United Kingdom. With the required funding arrangements in place, the following was achieved among other things:

1. outstanding loan balances due to China Energy Development Holdings Limited and iMerchants Asia Limited were settled; and
2. the threat of a 10 point league deduction from The Football League was removed.

In response to Allegation (ii), both Mr. Ma and Mr. Panos remained as directors of Birmingham City Plc. (the “**BCP**”) and BCFC taking into account that Mr. Ma and Mr. Panos have been implementing strategic planning to advance BCFC to a better league position in the Championship League. Under their management, a new manager of the football team was employed in October 2014. Performance of the football team and attendances had immediately improved. For the 2014/15 season, the football team was ranked at 10th in the Championship League as compared to the ranking of 21st for the 2013/14 season.

Considering Mr. Ma and Mr. Panos’ experience and contribution to the football club, the Receivers decided to retain Mr. Ma and Mr. Panos as consultants of the Company for the terms under the consultancy agreements and for them to remain as directors of BCP and BCFC.

Based on the above, the Receivers consider the Allegations against the Company and the Receivers unfounded and defamatory.

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, 6 November 2015

As at the date of this announcement, the board of directors of the Company 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 (suspended) as independent non-executive directors.