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)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2014

The board of directors (the "Board") of Birmingham International Holdings Limited (the "Company") are pleased to announce the audited consolidated results of the Company together with its subsidiaries (the "Group") for the year ended 30 June 2014, together with last year comparative figures set out as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2014

	Notes	**2014** **HK$'000**	2013 *HK$'000*
Turnover	*4*	**253,227**	294,497
Operating expenses		**(362,107)**	(390,915)
Loss from operations before amortisations		**(108,880)**	(96,418)
Other income		**8,585**	7,403
Gain on settlement of borrowings		**33,275**	—
Profit on sales of players' registrations		**42,758**	77,125
Impairment loss on intangible assets		—	(3,602)
Impairment loss on amounts due from related companies		—	(1,089)
Amortisation of intangible assets		**(4,786)**	(24,669)
Administrative and other expenses		**(87,918)**	(58,861)
Finance costs	*6*	**(18,267)**	(25,421)
Loss before taxation	*7*	**(135,233)**	(125,532)
Income tax (expense) credit	*8*	**(21,032)**	4,944
Loss for the year		**(156,265)**	(120,588)
Other comprehensive expense			
Items that may be classified subsequently to profit or loss:			
Exchange differences arising on translation of financial statements of overseas subsidiaries		**(1,836)**	(315)
Total comprehensive expenses for the year		**(158,101)**	(120,903)

	Notes	**2014** *HK$'000*	2013 *HK$'000*
Loss for the year attributable to:			
Owners of the Company		**(153,114)**	(118,760)
Non-controlling interests		**(3,151)**	(1,828)
		(156,265)	(120,588)
Total comprehensive expenses attributable to:			
Owners of the Company		**(154,890)**	(119,064)
Non-controlling interests		**(3,211)**	(1,839)
		(158,101)	(120,903)
Loss per share	*10*		
— Basic and diluted (HK cents)		**(3.40)**	(3.05)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2014

	Notes	2014 HK$'000	2013 HK$'000
Non-current assets			
Property, plant and equipment		**281,425**	264,119
Intangible assets		**43,627**	37,896
Goodwill		**—**	—
Deposits, prepayments and other receivables		**1,334**	83
		326,386	302,098
Current assets			
Inventories		**1,667**	2,225
Trade receivables	*11*	**19,153**	93,687
Deposits, prepayments and other receivables		**37,685**	15,705
Amounts due from related companies		**993**	1,249
Cash held at non-bank financial institutions		**1**	1
Bank balances and cash		**143,007**	49,996
		202,506	162,863
Current liabilities			
Transfer fee payables		**3,802**	8,428
Trade payables	*12*	**26,284**	28,705
Accruals and other payables		**78,190**	75,324
Deferred capital grants		**752**	672
Amounts due to former directors		**10,780**	5,198
Deferred income		**22,500**	23,770
Borrowings	*13*	**133,296**	178,442
Amounts due to directors		**—**	544
Income tax payable		**23,757**	418
		299,361	321,501
Net current liabilities		**(96,855)**	(158,638)
Total assets less current liabilities		**229,531**	143,460

	Notes	**2014** **HK$'000**	2013 *HK$'000*
Non-current liabilities			
Transfer fee payables		**704**	—
Accruals and other payables		**521**	—
Deferred capital grants		**22,298**	20,600
Borrowings	*13*	**834**	2,025
Amounts due to directors		—	182,808
Deferred tax liabilities		**39,994**	37,296
		64,351	242,729
NET ASSETS (LIABILITIES)		**165,180**	(99,269)
Capital and reserves			
Share capital	*14*	**54,811**	38,878
Reserves		**106,637**	(138,407)
Equity attributable to owners of the Company		**161,448**	(99,529)
Non-controlling interests		**3,732**	260
TOTAL EQUITY (CAPITAL DEFICIENCIES)		**165,180**	(99,269)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2014

	Attributable to owners of the Company									
	Share capital	Share premium	Share option reserve	Capital reserve	Translation reserve	Convertible bonds reserve	Accumulated losses	Total	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000* *(Note 15)*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 July 2012	38,878	1,132,593	1,497	6,510	(12,714)	–	(1,147,229)	19,535	2,099	21,634
Total comprehensive expenses for the year	–	–	–	–	(304)	–	(118,760)	(119,064)	(1,839)	(120,903)
Transfer to reserve for value of share options lapsed	–	–	(1,497)	–	–		1,497	–	–	–
At 30 June 2013	38,878	1,132,593	–	6,510	(13,018)	–	(1,264,492)	(99,529)	260	(99,269)
Total comprehensive expenses for the year	–	–	–	–	(1,776)	–	(153,114)	(154,890)	(3,211)	(158,101)
Loss on deed of novation *(Note)*	–	–	–	–	–	–	(6,683)	(6,683)	6,683	–
Issue of convertible bonds	–	–	–	–	–	360,500	–	360,500	–	360,500
Issue of shares upon:										
– placement of shares	12,600	49,450	–	–	–	–	–	62,050	–	62,050
– conversion of convertible bonds	3,333	6,667	–	–	–	(10,000)	–	–	–	–
At 30 June 2014	54,811	1,188,710	–	6,510	(14,794)	350,500	(1,424,289)	161,448	3,732	165,180

Note:

The amount represents a loss incurred due to the Company assumed the debt attributable to the non-controlling interests as a result of the deed of novation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares listed on The Stock Exchange Hong Kong Limited (the "Stock Exchange").

The functional currency of the Company and its subsidiaries (collectively referred to as the "Group") is Hong Kong dollars ("HK$") and for those subsidiaries established in the United Kingdom ("U.K.") is Great Britain Pounds ("GBP"). The consolidated financial statements are presented in Hong Kong dollars ("HK$") for the convenience of users of the consolidated financial statements as the Company is listed in Hong Kong.

The principal activity of the Company is investment holding and its subsidiaries are mainly engaged in professional football operation, apparel sourcing and trading and entertainment and media services.

2. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange and by the Hong Kong Companies Ordinance.

(b) Going concern basis

The Group incurred a loss attributable to the owners of the Company of approximately HK$153,114,000 for the year ended 30 June 2014 and had net current liabilities of approximately HK$96,855,000 as at 30 June 2014. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore that it may be unable to realise its assets and discharge its liability in the normal course of business. Nevertheless, the directors of the Company are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the next twelve months from 30 June 2014 given that:

i) subsequent to the end of the reporting period, Deluxe Crystal Limited, the subscriber, a company owned as to 50% by Cheung Shing (the chairman and executive director) and 50% by Ma Shui Cheong (the vice-chairman and executive director), and the Company entered into a subscription agreement in respect of the issue of convertible bonds in the principal aggregate amount of HK$120,000,000 which carries interest of 7.5% per annum and due in 2016; and

ii) if necessary, in order to meet the Group's funding requirements the directors of the Company will consider to raise funds by way of issuing additional equity and/or debt securities.

Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to the consolidated financial statements to write-down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments have not been reflected in the consolidated financial statements.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"):

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009-2011 Cycle
Amendments to HKFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except as described below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In the current year, the Group has applied for the first time the package of five standards on consolidation, joint arrangements, associates and disclosures comprising HKFRS 10 *"Consolidated Financial Statements"*, HKFRS 11 *"Joint Arrangements"*, HKFRS 12 *"Disclosure of Interests in Other Entities"*, HKAS 27 (as revised in 2011) *"Separate Financial Statements"* and HKAS 28 (as revised in 2011) *"Investments in Associates and Joint Ventures"*, together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding transitional guidance.

HKAS 27 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

The impact of the application of these standards is set out below.

Impact of the application of HKFRS 10 "*Consolidation Financial Statements*"

HKFRS 10 replaces the parts of HKAS 27 *"Consolidated and Separate Financial Statements"* that deal with consolidated financial statements and HK(SIC) Int-12 *"Consolidation — Special Purpose Entities"*. HKFRS 10 changes the definition of control such that an investor has control over an investee when (a) it has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee.

The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1 July, 2013. Accordingly, the directors of the Company concluded that the application of HKFRS 10 has had no material impact on the consolidated financial statements in accordance with the new definition of control and the related guidance set out in HKFRS 10.

Impact of the application of HKFRS 12 *"Disclosure of Interests in Other Entities"*

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of HKFRS 12 has resulted in more extensive disclosures in the consolidated financial statements.

HKFRS 13 *"Fair Value Measurement"*

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 *"Share-based Payment"*, leasing transactions that are within the scope of HKAS 17 "Leases", and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements. The application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

New and revised HKFRSs in issue but not yet effective:

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 cycle[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 cycle[2]
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and Transition Disclosures[3]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[1]
Amendments to HKFRS 11	Accounting for Acquisitions of Interest in Joint Operations[5]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[5]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[5]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[2]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting[1]
HKFRS 9	Financial Instruments[3]
HKFRS 14	Regulatory Deferral Accounts[7]
HKFRS 15	Revenue from Contracts with Customers[6]
HK(IFRIC) – Int 21	Levies[1]

1 Effective for annual periods beginning on or after 1 January 2014.
2 Effective for annual periods beginning on or after 1 July 2014.
3 Available for application – the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.
4 Effective for annual periods beginning on or after 1 July 2014 with limited exceptions.
5 Effective for annual periods beginning on or after 1 January 2016.
6 Effective for annual periods beginning on or after 1 January 2017.
7 Effective for first annual HKFRS financial statements, beginning on or after 1 January 2016.

HKFRS 9 *"Financial Instruments"*

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 "Financial Instruments: Recognition and Measurement" to be subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss. The directors of the Company anticipate that the adoption of HKFRS 9 in the future will not have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities based on the analysis of the Group's financial instruments as at 30 June 2014.

The directors of the Company anticipate that the application of other new and revised HKFRSs will have no material impact on the consolidated financial statements of the Group.

4. TURNOVER

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowance and exclude value added tax or other sales related taxes and are analysed as follows:

	2014	2013
	HK$'000	*HK$'000*
Television broadcasting	**151,067**	179,828
Commercial income	**56,886**	63,529
Matching receipts	**45,274**	51,140
	253,227	294,497

5. SEGMENT INFORMATION

The chief operating decision makers, who are responsible for allocating and assessing segment performance, have been identified as the board of directors as they collectively make strategic decision in allocating the Group's resources and assessing performance. No operating segments identified by the chief operating decision makers have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

(i) professional football operation;

(ii) apparel sourcing and trading;

(iii) entertainment and media services; and

(iv) investment holding.

Segment information about these reportable segments is presented below:

(a) Segment revenue and results

For the year ended 30 June

	Professional football operation		Apparel sourcing & trading		Entertainment & media services		Investment holding		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
SEGMENT REVENUE:										
External sales	**253,227**	294,497	**–**	–	**–**	–	**–**	–	**253,227**	294,497
SEGMENT RESULTS	**(64,501)**	(45,198)	**–**	–	**–**	–	**(684)**	(52)	**(65,185)**	(45,250)
Unallocated corporate income and expenses									**(70,048)**	(80,282)
Loss before taxation									**(135,233)**	(125,532)

Segment results represent the results earned by each segment without allocation of central administration costs, directors' salaries, amounts due from related companies, interest income and finance costs. This is the measure reported to the chief operating decision makers, for the purposes of resource allocation and assessment of segment performance.

(b) Segment assets and liabilities

At 30 June

	Professional football operation		Apparel sourcing & trading		Entertainment & media services		Investment holding		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
ASSETS										
Segment assets	**364,973**	398,139	**—**	—	**—**	—	**2,133**	722	**367,106**	398,861
Unallocated segment assets									**161,786**	66,100
Total assets									**528,892**	464,961
LIABILITIES										
Segment liabilities	**87,320**	139,418	**—**	—	**—**	21	**—**	—	**87,320**	139,439
Unallocated segment liabilities									**276,392**	424,791
Total liabilities									**363,712**	564,230

For the purpose of monitoring segment performances and allocating resources between segment:

- all assets are allocated to operating segments, other than amounts due from related companies, cash held at non-bank financial institutions and bank balances and cash which are not able to allocate into reportable segments.

- all liabilities are allocated to operating segments, other than borrowings, deferred tax liabilities, income tax payable and amount(s) due to a former director/directors which are not able to allocate into reportable segments.

(c) Geographic information

Information about the Group's revenue from external customers and non-current assets is presented based on the location of operations and geographical location of assets respectively.

	Revenue from external customers For the year ended 30 June		Non-current assets At 30 June	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**—**	—	**4,728**	722
United Kingdom (place of domicile)	**253,227**	294,497	**320,324**	301,293
	253,227	294,497	**325,052**	302,015

(d) Information about major customers

No revenue was received from customers contributing more than 10% of the total sales of Group for the two years ended 30 June 2014 and 2013.

6. FINANCE COSTS

	2014	2013
	HK$'000	*HK$'000*
Interest expenses on:		
— Bank loan and overdraft repayable within five years	**61**	78
— Other borrowings repayable within five years	**18,148**	25,006
— Finance leases	**58**	337
	18,267	25,421

7. LOSS BEFORE TAXATION

	2014	2013
	HK$'000	*HK$'000*
Loss before taxation is arrived at after charging:		
Amortisation of intangible assets	**4,786**	24,669
Auditor's remuneration		
— Current year	**2,191**	2,119
— Under-provision in prior years	**—**	128
	2,191	2,247
Cost of inventories sold *(Note (i))*	**7,053**	7,940
Cost on operating expenses *(Note (ii))*	**355,054**	378,156
Depreciation of property, plant and equipment	**11,408**	13,748
Impairment loss on trade receivables	**28**	—
Impairment loss on other receivables	**—**	624
Minimum lease payments under operating lease in respect of		
— premises	**2,753**	2,552
— motor vehicles	**767**	—
Foreign exchange loss, (net)	**—**	1,831
Staff costs (excluding director's and chief executive's emolument)		
— Wages and salaries	**233,470**	248,500
— Contributions to defined contribution retirement plans	**25,755**	29,845
	259,225	278,345
Property, plant and equipment written off	**—**	59

Notes:

(i) Cost of inventories sold represents the cost in relation to the sales of sportswear and other accessories from the professional football operation.

(ii) Cost of operating expenses mainly represents the salaries and related bonus paid to football players and expenses incurred during matches of the football Club.

8. INCOME TAX EXPENSE (CREDIT)

Income tax expense (credit) in the consolidated statement of profit or loss and other comprehensive income represents:

	2014	2013
	HK$'000	*HK$'000*
Corporation tax — U.K.		
Current year	**22,693**	—
Deferred taxation — U.K.		
Current year	**—**	(1,618)
Attributable to a change in tax rate	**(1,661)**	(3,326)
	21,032	(4,944)

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising from Hong Kong for the two years ended 30 June 2014 and 2013.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The Group's subsidiaries in the U.K. are subject to Corporation Tax in the U.K. ("Corporation Tax"). Corporation tax is calculated at 23% of the estimated assessable profit for the year ended 30 June 2014.

No provision was made in respect of Corporation Tax as these subsidiaries did not derive any assessable profits for the year ended 30 June 2013.

9. DIVIDEND

No dividend was paid or proposed for the two years ended 30 June 2014 and 2013, nor has any dividend been proposed since the end of the reporting date.

10. LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK$153,114,000 (2013: HK$118,760,000) and the weighted average number of 4,506,109,565 (2013: 3,887,753,400) ordinary shares in issue during the year.

The computation of diluted loss per share for the year ended 30 June 2014 is the same as the basic loss per share as the impact of the convertible bonds outstanding had an anti-dilutive effect.

The computation of diluted loss per share for the year ended 30 June 2013 is the same as the basic loss per share because the Company had no dilutive potential shares.

11. TRADE RECEIVABLES

	2014	2013
	HK$'000	*HK$'000*
Trade receivables	**19,301**	93,793
Less: Impairment loss recognised	**(148)**	(106)
	19,153	93,687

(i) The average credit period to the Group's trade receivables is 90 days (2013: 90 days) and represents solely from the professional football operation.

Trade receivables from the sale of player's registrations are received in accordance with the terms of the related transfer agreement. The Group does not hold any collateral over these balances.

(ii) The aging analysis of trade receivables, based on invoice date, net of impairment loss is as follows:

	2014	2013
	HK$'000	*HK$'000*
Within 30 days	**7,292**	84,226
31 to 90 days	**975**	676
91 to 180 days	**1,113**	71
181 to 365 days	**1,273**	8,714
Over 365 days	**8,500**	—
	19,153	93,687

(iii) At 30 June 2014 and 2013, the analysis of trade receivables that were neither past due nor impaired are as follows:

			Past due but not impaired		
	Total	**Neither past due nor impaired**	**Less than 60 days**	**61-90 days**	**91-365 days**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 30 June 2014	19,153	8,267	1,113	—	9,773
At 30 June 2013	93,687	84,902	71	—	8,714

Trade receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Trade receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

12. TRADE PAYABLES

An aged analysis of the trade payables is as below:

	2014	2013
	HK$'000	*HK$'000*
Within 30 days	**14,537**	15,371
31 to 90 days	**1,650**	2,016
91 days to 180 days	**57**	597
181 days to 365 days	**40**	10,721
Over 365 days	**10,000**	—
	26,284	28,705

The Group normally receive credit periods from suppliers averaging 90 days.

13. BORROWINGS

	2014	2013
	HK$'000	*HK$'000*
Secured bank loans *(Note (i))*	**2,077**	3,137
Unsecured — other loans *(Notes (ii) & (iii))*	**132,053**	177,330
	134,130	180,467

At 30 June 2014 and 2013, total current and non-current bank loans and other borrowings were repayable as follows:

	2014	2013
	HK$'000	*HK$'000*
Carrying amounts repayable:		
On demand or within one year	**133,296**	178,442
More than one year, but not exceeding two years	**590**	1,807
More than two years, but not exceeding five years	**244**	218
	134,130	180,467
Less: Amounts due within one year shown in current liabilities	**(133,296)**	(178,442)
Amounts shown under non-current liabilities	**834**	2,025

Notes:

(i) At 30 June 2014 and 2013, the secured bank loans carried interest at floating rates LIBOR+1.5% per annum and are repayable within one year. The bank loans were secured against the Group's land and buildings in the U.K amounting to approximately HK$269,414,000 (2013: HK$250,685,000) and by unlimited multilateral guarantees given by certain of its subsidiaries in the Group.

(ii) At 30 June 2014, included in the unsecured other loans was approximately HK$16,856,000 (2013: HK$14,412,000) loaned from iMerchant's Asia Limited ("iMerchant"), a subsidiary of Chinese Energy Holdings Limited ("Chinese Energy"). Yau Yan Min, Raymond, a former independent non-executive director of the Company and Chan Wai Keung, a former non-executive director of the Company are both executive directors of Chinese Energy. The amounts represented a principal of approximately HK$10,000,000 (2013: HK$10,000,000) and accrued interest of approximately HK$6,856,000 (2013: HK$4,412,000). The loan is overdue and carries interest at fixed rates of 0.5% per annum and penalty interest at 2% per month.

(iii) At 30 June 2014, the remaining unsecured other loans were loaned from independent third parties. These loans was either overdue or repayable within one year and carried interest ranging from interest free to 30% per annum (including penalty interest at 2% per month).

On 25 February 2014, the Company and the lender, China Water Industry Group Limited, came to a settlement on the outstanding loan balance of HK$60,275,000 by accepting HK$27,000,000 in full and final settlement of all liabilities and obligations. Upon settlement, the Company recognised a gain of approximately HK$33,275,000.

14. SHARE CAPITAL

	Notes	Number of shares	Amount
			HK$'000
Ordinary share of HK$0.01 each			
Authorised:			
At 1 July 2012 and 30 June 2013		10,000,000,000	100,000
Increase on 5 February 2014	*(i)*	40,000,000,000	400,000
At 30 June 2014		50,000,000,000	500,000
Issued and fully paid:			
At 1 July 2012 and 30 June 2013		3,887,753,400	38,878
Issue of shares upon placement	*(ii)*	1,260,000,000	12,600
Issue of shares upon conversion of convertible bonds	*(iii)*	333,333,333	3,333
At 30 June 2014		5,481,086,733	54,811

Notes:

(i) On 5 February 2014, pursuant to ordinary resolution passed at the extraordinary general meeting of the Company, the authorised share capital of the Company was increase from HK$100,000,000 to HK$500,000,000 by the creation of an additional 40,000,000,000 new ordinary shares at a par value of HK$0.01.

(ii) On 5 February 2014, the Company completed the placement of 1,260,000,000 ordinary shares at an issue price of HK$0.05 per ordinary share. The net proceed of the placement was approximately HK$62,050,000 and will be used for general working capital and the general improvement of the Group's liquidity position.

(iii) The First CB was partially converted into 333,333,333 ordinary shares of the Company on 21 February 2014.

(iv) All ordinary shares issued during the year rank pari passu with the then existing ordinary shares in all respects.

15. CONVERTIBLE BONDS RESERVE

	First CB	Second CB	Debt CB	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1 July 2013	—	—	—	—
Issue of convertible bonds	50,000	125,000	193,500	368,500
Cost of issue	(1,500)	(2,500)	(4,000)	(8,000)
Conversion to shares	(10,000)	—	—	(10,000)
At 30 June 2014	38,500	122,500	189,500	350,500

The principle terms of the convertible bonds are as follows:

	First CB	Second CB	Debt CB
Maturity date	4 February 2016	4 February 2016	4 February 2016
Principal amount	HK$50,000,000	HK$125,000,000	HK$193,500,000
Interest rate	zero	zero	zero
Conversion price	HK$0.03	HK$0.03	HK$0.03
Conversion period	5 February 2014 to 4 February 2016	5 February 2014 to 4 February 2016	5 February 2014 to 4 February 2016

All three CBs are non-redeemable and are required to be mandatorily converted into ordinary share capital of the Company. The CBs are accordingly classified as equity in the consolidated financial statements of the Company.

First CB

On 5 February 2014, the Company issued a zero coupon convertible bond ("First CB") of principal amount of HK$50,000,000 to U-Continent Holdings Limited, an independent third party ("U-Continent").

On 21 February 2014, HK$10,000,000 First CB was converted into 333,333,333 ordinary shares of the Company.

At 30 June 2014, HK$40,000,000 First CB was outstanding.

Second CB

On 5 February 2014, the Company issued a zero coupon convertible bond ("Second CB") in two tranches to the principal amount of HK$125,000,000 (as to HK$105,000,000 under the first tranche and HK$20,000,000 under the second tranche) to U-Continent. At 30 June 2014, the Second CB was fully outstanding.

Debt CB

On 20 December 2013, the Company and Yeung Ka Sing, Carson agreed to capitalise a debt owed by the Company and which was novated from a subsidiary of the Company by issuing a zero coupon convertible bond ("Debt CB") of principal amount of HK$193,500,000 to Yeung Ka Sing, Carson. At 30 June 2014, the entire face value of the Debt CB was outstanding.

The directors note that allegations of dealing with property known or believed to represent the proceeds of an indictable offence during the period 2001 and 2007 have been made against the Group's major shareholder, Yeung Ka Sing, Carson by the Hong Kong police. Yeung Ka Sing, Carson was convicted on the offences in March 2014 and the directors understand that an appeal will be lodged by him with the courts in Hong Kong. The Debt CB was derived from the Deed of Novation and Debt Capitalisation Agreement in which certain amounts due to Yeung Ka Sing, Carson from a subsidiary of the Company was restructured. Details of the Deed of Novation can be found in the Circular of the Company dated 17 January 2014. The Hong Kong Department of Justice wrote to the legal adviser of the Company on 24 September 2014 confirming that its position on the restructuring remained the same after Yeung Ka Sing, Carson's conviction in March 2014 and considered not raising an objection to the restructuring exercise announced on 17 January 2014 and completed on 5 February 2014.

16. COMMITMENTS

(i) Operating lease arrangements

The Group as lessee

The Group leases certain premises and motor vehicles under operating lease arrangements. Leases are negotiated for a term ranging from three to five years. The Group does not have an option to purchase the leased assets at the expiry of the lease period. At the end of the reporting period, the Group's total future minimum lease payments under non-cancellable operating leases are as follows:

	2014	2013
	HK$'000	*HK$'000*
Within one year	**2,629**	2,984
After one year but within five years	**2,383**	3,644
	5,012	6,628

(ii) Capital commitments

	2014	2013
	HK$'000	*HK$'000*
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of purchase of property, plant and equipment	**—**	5,165

17. EVENTS AFTER THE REPORTING PERIOD

(a) On 31 July 2014, Deluxe Crystal Limited, the subscriber, a company owned as to 50% by Cheung Shing (the chairman and executive Director) and 50% by Ma Shui Cheong (the vice-chairman and executive Director), and the Company entered into a subscription agreement in respect of the issue of convertible bonds in the principal aggregate amount of HK$120,000,000 carrying an interest of 7.5% per annum with exercise price of HK$0.10 per each conversion share due in 2016. Details of the convertible bonds are set out in the announcement of the Company dated 31 July 2014.

(b) Transfers of players' registration subsequent to 30 June 2014 resulted in a net amount of approximately GBP1,252,000 (equivalent to HK$16,158,000) receivable to BCP.

OPINION ON INDEPENDENT AUDITOR'S REPORT

Basis for Disclaimer of Opinion

1. Limitation of Scope

i) Corresponding figures

Our reports on the consolidated financial statements of the Group for the years ended 30 June 2011, 2012 and 2013 were qualified in view of the limitations on the scope on the royalty fee income and amounts due to former directors of approximately HK$5,198,000 due to Hui Ho Leuk, Vico. With regards to the potential understatement of royalty fee income for the years ended 30 June 2011 and 2012, the Group, as at the date of issuance of these consolidated financial statements, was still in the process of negotiating the royalty fee income with the former sponsor for settlement.

Any adjustments found to be necessary to the opening balances as at 1 July 2011, 1 July 2012 and 1 July 2013 may affect the loss, cash flows and related disclosures in the notes to the consolidated financial statements for the year ended 30 June 2014. In addition, the comparative figures in respect of the net liabilities of the Group as at 30 June 2013, and the loss and cash flows and related disclosures in the notes to the consolidated financial statements for the year ended 30 June 2013 may not be comparable with the figures for the current year.

ii) Amounts due to former directors

At 30 June 2014, included in the amounts due to former directors is an amount of approximately HK$5,198,000 due to Hui Ho Leuk, Vico. We were unable to obtain sufficient information to verify the amount and repayment terms of this amount. There were no other satisfactory audit procedures including direct confirmation that we could perform to satisfy ourselves as to whether this amount was fairly stated in the statements of financial position as at 30 June 2014.

Any adjustments found to be necessary in respect of the above would have a significant consequential effect on the financial position of the Group as at 30 June 2014, and the loss and cash flows of the Group for the year then ended and the related disclosures in the consolidated financial statements.

2. Fundamental Uncertainty Relating to the Going Concern Basis

As explained in Note 2(b) to the consolidated financial statements, the Group incurred a loss attributable to the owners of the Company of approximately HK$153,114,000 for the year ended 30 June 2014 and had net current liabilities of approximately HK$96,855,000 as at 30 June 2014. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern, the validity of which is dependent upon future funding available.

The consolidated financial statements do not include any adjustments that would result from the unavailability of future funding. We consider that appropriate disclosures have been made. However, the uncertainty surrounding the outcome of future funding available raises significant doubt as to the Group's ability to continue as a going concern.

The consolidated financial statements do not include any adjustments that may be necessary should the future funding be unavailable. We consider that appropriate disclosures have been made in the consolidated financial statements concerning this situation, but we consider that this fundamental uncertainty relating to whether the going concern basis is appropriate is so extreme that we have disclaimed our opinion.

Disclaimer of Opinion

Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs concerning the going concern basis and limitation of audit scope as stated above, we do not express an opinion on the consolidated financial statements of the state of affairs of the Group and of the Company as at 30 June 2014, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

For the year ended 30 June 2014, the Group recorded a consolidated turnover of approximately HK$253 million, representing a decrease of 14% compared to the consolidated turnover of approximately HK$294 million in the year ended 30 June 2013. Such decrease was mainly due to the significant dwindling of the revenue from Birmingham City Plc ("BCP") due to Birmingham City Football Club ("BCFC") being remained in Championship football league.

The Group's net loss for the year ended 30 June 2014 amounted to approximately HK$158 million (2013: net loss of approximately HK$121 million). Such increase was mainly due to decrease in the profit generated from sales of players' registration. The expense for the year included the amortisation of intangible assets in the United Kingdom of approximately HK$5 million (2013: approximately HK$25 million), impairment loss of intangible assets of Nil (2013: approximately HK$4 million) and the staff costs of approximately HK$274 million (2013: approximately HK$289 million).

Business Review and Prospects

The Company engages in investment holding. The principal activities of its main subsidiaries are engaged in professional football operation, entertainment and media services.

Football Operation Business

BCP is a company domiciled in the United Kingdom, the principal activities of BCP and its subsidiaries (collectively refer to as the "BCP Group") was the operation of a professional football club in the United Kingdom. The revenue streams of BCP Group comprised of (i) gate receipts which consisted of season and matchday tickets; (ii) broadcasting revenue, including distribution from the Football Association and Championship broadcasting agreements, cup competitions and revenue from the local media; and (iii) commercial income which comprised of sponsorship income, corporate hospitality, merchandising, conference and banqueting and other sundry revenue.

BCP Group contributed a turnover of approximately HK$253 million (2013: HK$294 million) to the Group's turnover for the year. It recorded a loss from operation of approximately HK$109 million (2013: approximately HK$96 million) and a net loss of approximately HK$92 million to the Group's loss for the year (2013: approximately HK$42 million).

The Group will continue to manage the business prudently and to ensure that the BCP Group will adhere to the financial fair play rules which will be effective in the UK that requires clubs to be self sufficient in the long term.

Dividend

No dividend was paid or proposed for the year ended 30 June 2014 (2013: Nil), nor has any dividend been proposed since the end of reporting date.

Financial Review

Liquidity and Financial Resources

The current ratio (current assets to current liabilities) of the Group as at 30 June 2014 was 67.65% (2013: 50.66%) and the gearing ratio (borrowings in long term portion to equity and non-current liabilities) of the Group as at 30 June 2014 was 0.36% (2013: 54%). The ratio of total liabilities to total assets of the Group as at 30 June 2014 was 68.77% (2013: 121.35%).

As at 30 June 2014, the cash and bank balances of the Group amounted to approximately HK$140 million, representing a increase of 180% compared to the cash and bank balances of approximately HK$50 million as at the last financial year end.

As at 30 June 2014, the borrowings (including current portion and long term portion) of the Group amounted to approximately HK$134 million (2013: HK$180 million), representing bank loans in the United Kingdom and other borrowings in Hong Kong.

Foreign Exchange Exposure

The Group's subsidiaries mainly operates in the United Kingdom and most of their transactions, assets and liabilities are denominated in Pound Sterling ("£") and does not have significant exposure to risk resulting from changes in foreign currency exchange rate. The Group does not have any derivative financial instruments to hedge its foreign currency risks.

Pledge of Group's Asset

As at 30 June 2014, the Group has the freehold land and buildings with the carrying value of approximately £20 million (equivalent to approximately HK$269 million) for the bank borrowings and the general banking facilities granted to the Group. The secured bank borrowings of the Group of approximately HK$2 million are also secured by unlimited multilateral guarantees given by certain of its subsidiaries in the Group.

Save as the above, the Group did not have assets charged nor pledged to secure any outstanding borrowing.

Contingent liabilities

Under the terms of contracts with other football clubs in respect of the player transfers, additional player transfer cost would become payable if certain specific performance conditions are met. The maximum amount not provided that could be payable in respect of the transfers up to 30 June 2014 was approximately HK$15,640,000 (equivalent to GBP1,185,000). At the end of the reporting period and up to the date of approval of these consolidated financial statement, HK$5,266,000 (equivalent to GBP399,000) of these amounts have crystallise.

On 10 May 2013, the former director, Mr. Lee Yiu Tung (the "Claimant") filed a claim in the Labour Tribunal of the Hong Kong Special Administrative Region ("HKSAR") for unpaid wages, wages in lieu of notice and expenses paid on behalf of the Company up to the amount of approximately HK$1,484,000. The Company made a counterclaim against the Claimant on 29 May 2013 in respect of wages paid to the Claimant for the months from July to October 2012 up to the amount of HK$240,000 in which the Claimant was absent from his office and reimbursements of expenses paid to the Claimant during 2010 to 2012 totaling HK$2,000,000 for business/projects not related to the Company. On 4 June 2013, both parties agreed that the case would be transferred to the High Court in HKSAR for judgment. The Company have obtained legal advice in respect of the merits of the case and the directors of the Company are confident that they have a strong defence in this action and therefore, no provision for this claim have been made.

CAPITAL COMMITMENT

At 30 June 2014, the Group had authorised but not contracted for commitments for the acquisition of property, plant and equipment of approximately HK$Nil (2013: 5,165,000).

PURCHASE, SALE OF REDEMPTION OF SECURITIES OF THE COMPANY

During the year ended 30 June 2014, neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities.

CORPORATE GOVERNANCE

The Board believes that good corporate governance is crucial to improve the efficiency and performance of the Group and to safeguard the interests of the shareholders.

The Company has complied with the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules throughout the year ended 30 June 2014 except for the deviations as detailed in the Company's last annual report as follows:

(a) Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The Company deviates from the above code provision as all non-executive director and independent non-executive Directors ("INEDs") are not appointed for specific terms. According to the provisions of the Company's Articles of Association, however, and INEDs are subject to retirement and re-election. The reason for the deviation is that the Company believes that the Directors ought to be committed to representing the long term interest of the Company's shareholders.

(b) Code provision A.4.2 stipulates that all directors should be subject to retirement by rotation at least once every three years. Pursuant to the Company's Articles of Association, the chairman shall not be subject to retirement by rotation or be taken into account in determining the number of directors to retire in each year. In order to ensure the smooth running and continuous adhering to the strategic view of the Company, the Company believes that the position of chairman is more practical to be maintained and not to be subject to retirement by rotation.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the full set of Model Code set out in Appendix 10 of the Listing Rules as the code of the conduct for securities transactions by directors (the "Model Code"). The prohibitions on securities dealing and disclosure requirements in the Model Code apply to specified individuals including the Group's senior management and also persons who are privy to price sensitive information of the Group. Having made specific enquiry of all directors, the Board confirms that the directors of the Company have complied with the Model Code regarding directors' securities transactions during the year and up to the date of publication of this Annual Results Announcement.

AUDIT COMMITTEE

The Audit Committee comprises of four independent non-executive directors, namely Mr. Wong Ka Chun, Carson (Chairman of the Audit Committee), Mr. Gao Shi Kui, Mr. Liu Enxue (appointed on 10 January 2014) and Mr. Li Hanguo (appointed on 10 January 2014).

The main duties of the Audit Committee include the following:

— To review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant, compliance officer or external auditors before submission to the Board;

— To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditors;

— To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

The Audit Committee held two meetings during the year ended 30 June 2014 including the review the financial results and reports, financial reporting and compliance procedures, and the re-appointment of the external auditors. The Board has not taken any different view from that of the Audit Committee regarding the selection, appointment, resignation or dismissal of external auditors.

The Company's annual results for the year ended 30 June 2014 has been reviewed by the Audit Committee.

REMUNERATION COMMITTEE

The Board established a Remuneration Committee which comprises four independent non-executive directors and one executive director, namely Mr. Chan Shun Wah, Mr. Wong Ka Chun, Carson, Mr. Gao Shi Kui, Mr. Liu Enxue (appointed on 10 January 2014) and Mr. Li Hanguo (appointed on 10 January 2014) up to the date of this announcement. Mr. Wong Ka Chun, Carson is the chairman of the Committee.

The primary objectives of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the executive directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

The Remuneration Committee normally meets annually for reviewing the remuneration policy and structure and determination of the annual remuneration packages of the executive directors and the senior management and other related matters. The Remuneration Committee shall consult the Board about these recommendations on remuneration policy and structure and remuneration packages.

The Remuneration Committee held two meetings during the year ended 30 June 2014 for reviewing the remuneration policy and structure of the Company and remuneration packages of the executive directors and the senior management.

Emolument Policy

The directors are paid fees in line with market practice. The Group adopted the following main principles of determining the directors' remuneration:

— No individual should determine his or her own remuneration;

— Remuneration should be broadly aligned with companies with who the Group competes for human resources;

— Remuneration should reflect performance.

In addition to the basic salaries, a share option scheme is adopted for rewarding good performers as well as retaining talented staff for the continual operation and development of the Group.

NOMINATION COMMITTEE

The Board established a Nomination Committee which comprises four independent non-executive directors and one executive director, Mr. Chan Shun Wah, Mr. Wong Ka Chun, Carson, Mr. Gao Shi Kui, Mr. Liu Enxue (appointed on 10 January 2014) and Mr. Li Hanguo (appointed on 10 January 2014) up to the date of this announcement. It is chaired by Mr. Wong Ka Chun, Carson. The terms of reference of the Nomination Committee have been reviewed with reference to the Code.

The Nomination Committee is responsible for reviewing the Board composition, developing and formulating relevant procedures for nomination and appointment of directors, making recommendations to the Board on the appointment and succession planning of directors, and assessment of the independence of the independent non-executive directors. The Nomination Committee carries out the process of selecting and recommending candidates for directorships by making reference to the skills, experience, professional knowledge and personal integrity of such individuals, the Company's needs and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process when necessary.

The Nomination Committee is also responsible for considering and approving the appointment of its members and making recommendations to shareholders on directors standing for re-election, providing sufficient biographical details of directors to enable shareholders to make an informed decision on the re-election and where necessary, nominate and appoint directors to fill casual vacancies. The chairman may in conjunction with the other directors from time to time review the composition of the Board with particular regard to ensuring that there is an appropriate number of directors on the Board independent of management.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of the Company (http://www.irasia.com/listco/hk/birminghamint/index.htm) and Hong Kong Exchanges and Clearing Limited (http://www.hkex.com.hk). The annual report of the Company for the year ended 30 June 2014 containing all information required by the Listing Rules will be dispatched to the Shareholders of the Company and made available on the above websites in due course.

By Order of the Board
BIRMINGHAM INTERNATIONAL HOLDINGS LIMITED
Ma Shui Cheong
Director

Hong Kong, 30 September 2014

As at the date hereof, the executive directors of the Company are Mr. Cheung Shing, Mr. Ma Shui Cheong, Mr. Peter Pannu, Mr. Chan Shun Wah, Mr. Cheung Kwai Nang, Mr. Chen Liang, Mr. Panagiotis Pavlakis and the independent non-executive directors are Mr. Wong Ka Chun, Carson, Mr. Gao Shi Kui, Mr. Liu Enxue and Mr. Li Hanguo.