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 FIFTEEN MONTHS PERIOD FROM 1 APRIL 2009 TO 30 JUNE 2010

The board of directors (the "Board" or "Directors") of Birmingham International Holdings Limited (formerly known as Grandtop International Holdings Limited) (the "Company") is pleased to announce the audited consolidated results of the Company together with its subsidiaries (collectively the "Group") for the fifteen months period ended 30 June 2010 (the "Period"), together with last year comparative figures set out as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	**For the 15 months period ended 30 June 2010** **HK$'000**	For the 12 months year ended 31 March 2009 *HK$'000*
Turnover	*3*	**581,596**	10,660
Operating expenses		**(446,481)**	(6,513)
Profit from operations before amortisations		**135,115**	4,147
Other revenue and net gains		**5,407**	986
Profit on sale of players' registrations		**3,454**	—
Gain on disposal of subsidiaries	*4*	**17,311**	—
Gain on derecognition of/(impairment loss on) available-for-sale financial assets		**236,079**	(73,945)
Impairment loss on property, plant and equipment		**(1,285)**	—
Impairment loss on goodwill		**(400,000)**	—
Impairment loss on trade receivables		**(751)**	(1,333)
Selling expenses		**—**	(2,000)
Amortisation of intangible assets		**(292,953)**	—
Administrative expenses and other expenses		**(116,764)**	(19,072)
Finance costs	*5*	**(17,474)**	(538)

	Notes	For the 15 months period ended 30 June 2010 HK$'000	For the 12 months year ended 31 March 2009 HK$'000
Loss before income tax expenses	6	**(431,861)**	(91,755)
Income tax credit	7	**40,757**	78
Loss for the period/year		**(391,104)**	(91,677)
Other comprehensive income, after tax			
Fair value gain on available-for-sale financial assets, net of tax HK$29,818		**206,261**	—
Reclassification adjustment on derecognition of available-for-sale financial assets, net of tax HK$29,818		**(206,261)**	—
Exchange differences on translation of financial statements of overseas subsidiary		**(40,097)**	—
Total comprehensive expenses for the period/year		**(431,201)**	(91,677)
Loss for the period/year attributable to:			
Owners of the Company		**(387,684)**	(91,677)
Non-controlling interests		**(3,420)**	—
		(391,104)	(91,677)
Total comprehensive expenses attributable to:			
Owners of the Company		**(426,560)**	(91,677)
Non-controlling interests		**(4,641)**	—
		(431,201)	(91,677)
Loss per share			
— Basic and diluted (HK cents)	9	**(16.97)**	(10.96)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	At 30 June 2010 HK$'000	At 31 March 2009 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**282,585**	2,992
Investment property		**—**	1,060
Intangible assets	*10*	**838,200**	—
Goodwill	*11*	**22,185**	—
Prepayments		**18,466**	—
Available-for-sale financial assets	*12*	**—**	60,419
		1,161,436	64,471
Current assets			
Inventories		**1,838**	—
Trade receivables	*13*	**22,420**	—
Deposits, prepayments and other receivables		**38,249**	1,190
Amounts due from related companies		**3,390**	—
Cash and cash equivalents		**15,902**	2,968
		81,799	4,158
Current liabilities			
Transfer fee payables	*14(i)*	**148,681**	—
Trade payables	*14(ii)*	**26,409**	—
Accruals and other payables	*14(iii)*	**145,028**	5,880
Provisions		**24,264**	—
Deferred capital grants		**669**	—
Amounts due to directors		**—**	5,378
Deferred income		**41,191**	—
Taxation payable		**418**	20,337
Borrowings — current portion	*15*	**35,724**	—
		422,384	31,595
Net current liabilities		**(340,585)**	(27,437)
Total assets less current liabilities		**820,851**	37,034

	Notes	At 30 June 2010 HK$'000	At 31 March 2009 HK$'000
Non-current liabilities			
Transfer fee payables	*14(i)*	**56,749**	—
Other payables	*14(iii)*	**9,773**	—
Deferred capital grants		**22,490**	—
Amounts due to directors		**161,759**	97,982
Borrowings — long term portion	*15*	**42,008**	—
Deferred tax liabilities		**188,467**	167
Convertible notes		**—**	4,108
		481,246	102,257
NET ASSETS/(LIABILITIES)		**339,605**	(65,223)

CAPITAL AND RESERVES

Share capital	*16*	**31,878**	9,852
Non-controlling interests		**14,691**	—
Reserves/(deficits)		**293,036**	(75,075)
TOTAL EQUITY		**339,605**	(65,223)

Notes to the final results announcement as at 30 June 2010

1. Organisation and Operations

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and has its registered office at Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and principal place of business at Unit 3008, 30/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

The Company engages in investment holding.

These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The current period consolidated financial statements cover a 15 month period from 1 April 2009 to 30 June 2010 and therefore may not be comparable with amounts shown in the prior year. The period covered by the financial statements was greater than 12 months because the directors of the Company had determined to change the financial year end date of the Company to bring its end of the reporting period in line with the business cycle in view of the season of premier league normally ends in May to June.

2. Adoption of Hong Kong Financial Reporting Standards ("HKFRSs")

In the current period, the Group has applied all of the new and revised Standards, Amendments and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are relevant to its operations and effective for annual periods beginning on or after 1 July 2009.

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 3 (Revised)	Business Combinations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC)-Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

Other than as further explained below regarding the impact of HKAS 1 (Revised), HKFRS 7 Amendments, HKFRS 8 and HKFRS 8 Amendment, the adoption of these new and revised HKFRSs has had no significant financial effect on the financial statements of the Group and there have been no significant changes to the accounting policies applied in the financial statements.

(i) HKAS 1 (Revised) — Presentation of Financial Statements

HKAS 1 (Revised) introduces changes in the presentation and disclosures of financial statements. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present one single statement.

(ii) Amendments to HKFRS 7 — Financial Instruments: Disclosures — Improving Disclosures about Financial Instruments

The HKFRS 7 Amendments require additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by sources of inputs using a three-level fair value hierarchy, by class, for all financial instruments recognised at fair value. In addition, a reconciliation between the beginning and ending balances is now required for level 3 fair value measurements, as well as significant transfers between levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management.

(iii) HKFRS 8 — Operating Segments and Amendment to HKFRS 8 — Operating Segments — Disclosures of Information about Segment Assets

HKFRS 8, which replaces HKAS 14 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the operating segments determined in accordance with HKFRS 8 are the same as previously identified under HKAS 14.

The Group has early adopted in these financial statements the Amendment to HKFRS 8 issued in Improvements to HKFRSs 2009 which clarifies that segment assets need only to be reported when those assets are included in measures that are used by the chief operating decision maker.

In addition, the Group has determined to early apply HKFRS 3 (Revised) and HKAS 27 (Revised), during the financial period beginning on 1 April 2009, these revised standards that have been issued but are not yet mandatory:

(i) HKFRS 3 (Revised 2008) Business Combinations

HKFRS 3 (Revised 2008) has been adopted in the current period in advance of its effective date (business combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 July 2009). Its adoption has affected the accounting for business combinations in the current period.

In accordance with the relevant transitional provisions, HKFRS 3 (Revised 2008) has been applied prospectively to business combinations for which the acquisition date is on or after 1 July 2009. The impact of the adoption of HKFRS 3 (Revised 2008) Business Combinations has been:

— to allow a choice on a transaction-by-transaction basis for the measurement of non-controlling interests (previously referred to as 'minority' interests) either at fair value or at the non-controlling interests' share of the fair value of the identifiable net assets of the acquiree.

— to change the recognition and subsequent accounting requirements for contingent consideration. Under the previous version of the standard, contingent consideration was recognised at the acquisition date only if payment of the contingent consideration was probable and it could be measured reliably; any subsequent adjustments to the contingent consideration were recognised against goodwill. Under the revised standard, contingent consideration is measured at fair value at the acquisition date; subsequent adjustments to the consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss;

— where the business combination in effect settles a pre-existing relationship between the Group and the acquiree, to require the recognition of a settlement gain or loss; and

— to require acquisition-related costs to be accounted for separately from the business combination, generally leading to those costs being recognised as an expense in profit or loss as incurred, whereas previously they were accounted for as part of the cost of the acquisition.

During the current period, the change in accounting policy of HKFRS 3 (Revised 2008) "Business Combination" has resulted approximately HK$16,704,000 acquisition costs being charged to the consolidated statement of comprehensive income. Such acquisition costs would have been accounted for as cost of investment in the consolidated statement of financial position as at 30 June 2010 if HKFRS 3 (Revised 2008) not early adopted.

Apart from the impact above, the early adoption of HKFRS 3 (Revised 2008) also affected the Group's treatment on the recognition of fair value gain/loss on available-for-sale financial assets. The Group has credited approximately HK$236,079,000 to the statement of comprehensive income during the period and such gain would have been accumulated in equity as revaluation reserve if HKFRS 3 (Revised 2008) not early adopted.

(ii) HKAS 27 (Revised 2008) Consolidated and Separate Financial Statements

HKAS 27 (revised 2008) has been applied retrospectively (subject to specified transitional provisions). The revised Standard has resulted in changes in the Group's accounting policies regarding changes in ownership interests in subsidiaries of the Group. The new accounting policies in relation to changes in ownership interests in subsidiaries have been applied prospectively to changes that take place on or after 1 July 2009 in accordance with the relevant transitional provisions.

In prior year, in the absence of specific requirements in HKFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate. For decreases in interests in existing subsidiaries regardless of whether the disposals would result in the Group losing control over the subsidiaries, the difference between the consideration received and the carrying amount of the share of net assets disposed of was recognised in profit or loss.

Under HKAS 27 (revised 2008), increases or decreases in ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are dealt with in equity and attributed to the owners of the parent, with no impact on goodwill or profit or loss. When control of a subsidiary is lost as a result of a transaction, event or other circumstance, HKAS 27 (revised 2008) requires that the Group derecognise all assets, liabilities and non-controlling interests at their carrying amounts.

Any retained interest in the former subsidiary is recognised at its fair value at the date when control is lost, with the resulting gain or loss being recognised in profit or loss.

The Group has not early applied the following new and revised Standards, Amendments or Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs 2010[1]
HKAS 17 (Amendments)	Leases[4]
HKAS 24 (Revised)	Related Party Disclosures[2]
HKAS 32 (Amendment)	Classification of Rights Issues[3]
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions[4]
HKFRS 9	Financial Instruments[6]
HK(IFRIC)-Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement[2]
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments[5]

1 Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate

2 Effective for annual periods beginning on or after 1 January 2011

3 Effective for annual periods beginning on or after 1 February 2010

4 Effective for annual periods beginning on or after 1 January 2010

5 Effective for annual periods beginning on or after 1 July 2010

6 Effective for annual periods beginning on or after 1 January 2013

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

3. 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:

	For the 15 months period ended 30 June 2010	For the 12 months year ended 31 March 2009
	HK$'000	*HK$'000*
Television Broadcasting	**426,430**	—
Commercial income	**75,338**	—
Matching receipts	**77,749**	—
Service income from entertainment business	**2,079**	8,322
Apparel sourcing	**—**	1,113
Apparel trading	**—**	1,225
	581,596	10,660

(a) Business segment

For the 15 months period ended 30 June 2010

	Professional football operation *HK$'000*	Apparel sourcing & Trading *HK$'000*	Entertainment & media services *HK$'000*	Investment holding *HK$'000*	Consolidated *HK$'000*
Revenue from external customers	579,517	—	2,079	—	581,596
Inter-segment revenue	—	—	100	—	100
Reportable segment revenue	579,517	—	2,179	—	581,696
Reportable segment profit	135,015	—	100	—	135,115
Other revenue and net gains	4,933	—	—	474	5,407
Profit on sales of players' registrations	3,454	—	—	—	3,454
Gain on disposal of subsidiaries	—	—	—	17,311	17,311
Gain on derecognition of available-for-sales financial assets	—	—	—	236,079	236,079
Fair value gain on available-for-sale financial assets, net of tax HK$29,818	—	—	—	206,261	206,261
Reclassification adjustment on derecognition of available-for-sale financial assets, net of tax HK$29,818	—	—	—	(206,261)	(206,261)
Impairment loss on property, plant and equipment	(1,285)	—	—	—	(1,285)
Impairment loss on goodwill	(400,000)	—	—	—	(400,000)
Amortisation of intangible assets	(292,953)	—	—	—	(292,953)
Income tax expense	40,757	—	—	—	40,757
Reportable segment assets	1,228,303	161	7,062	6,636	1,242,162
Additions to non-current assets	210,315	—	—	199	210,514
Reportable segment liabilities	466,219	42	356	8,637	475,254

For the 12 months year ended 31 March 2009

	Professional football operation *HK$'000*	Apparel sourcing & Trading *HK$'000*	Entertainment & media services *HK$'000*	Investment holding *HK$'000*	Consolidated *HK$'000*
Revenue from external customers	—	2,338	8,322	—	10,660
Inter-segment revenue	—	—	—	—	—
Reportable segment revenue	—	2,338	8,322	—	10,660
Reportable segment profit	—	804	3,343	—	4,147
Other revenue and net gains	—	—	50	936	986
Impairment loss on available-for-sale financial assets	—	—	—	(73,945)	(73,945)
Income tax expense	—	—	—	78	78
Reportable segment assets	—	1,076	332	64,229	65,637
Additions to non-current assets	—	—	—	648	648
Reportable segment liabilities	—	9	1,634	107,468	109,111

(b) Reconciliation of reportable segment revenues, profit or loss, assets and liabilities

	For the 15 months period ended 30 June 2010 ***HK$'000***	For the 12 months year ended 31 March 2009 *HK$'000*
Revenue		
Reportable segment revenue	**581,696**	10,660
Elimination of inter-segment revenue	**(100)**	—
Consolidated revenue	**581,596**	10,660

	For the 15 months period ended 30 June 2010 HK$'000	For the 12 months period ended 31 March 2009 HK$'000
Loss before income tax expenses		
Reportable segment profit	**135,115**	4,147
Other revenue and net gains	**5,407**	986
Profit on sales of players' registrations	**3,454**	—
Gain on disposal of subsidiaries	**17,311**	—
Gain on derecognition of/(impairment loss on) available-for-sales financial assets	**236,079**	(73,945)
Impairment loss on property, plant and equipment	**(1,285)**	—
Impairment loss on goodwill	**(400,000)**	—
Amortisation of intangible assets	**(292,953)**	—
Unallocated corporate expenses	**(117,515)**	(22,405)
Finance costs	**(17,474)**	(538)
Loss before income tax expenses	**(431,861)**	(91,755)

	At 30 June 2010 HK$'000	At 31 March 2009 HK$'000
Assets		
Reportable segment assets	**1,241,962**	65,637
Unallocated corporate assets	**1,273**	2,992
Consolidated total assets	**1,243,235**	68,629
Liabilities		
Reportable segment liabilities	**475,254**	109,111
Interest bearing bank-borrowings	**77,732**	—
Deferred tax liabilities	**188,467**	167
Tax payables	**418**	20,337
Unallocated liabilities	**161,759**	4,237
Consolidated total liabilities	**903,630**	133,852

(c) Geographic information

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than financial instruments, deferred tax assets/liabilities and post-employment benefit assets ("Specified non-current assets").

	Revenue from external customers		Specified non-current assets	
	For the 15 months period ended 30 June 2010	For the 12 months year ended 31 March 2009	**For the 15 months period ended 30 June 2010**	For the 12 months year ended 31 March 2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**2,079**	8,322	**1,073**	4,052
United Kingdom (place of domicile)	**579,517**	2,338	**1,160,363**	60,419
	581,596	10,660	**1,161,436**	64,471

4. Disposal of Subsidiaries and Business Combination

(i) Disposal of subsidiaries

On 20 July 2009, the Group disposed of its subsidiaries — Fanlink Far East Limited and Sun Ace Group Limited and their wholly own subsidiaries which are engaged in the apparel sourcing and trading. The net assets of those subsidiaries at the date of disposal were as follows:

	HK$'000
Property, plant and equipment	1,718
Trade and other receivables	1,060
Cash and cash equivalent	16
Trade and other payables	(20)
Deferred tax liabilities	(167)
Current tax liabilities	(19,918)
	(17,311)
Gain on disposal of subsidiaries	17,311
Total consideration	—
Satisfied by:	
Cash	—
Net cash inflow arising on disposal:	
Cash consideration	—
Cash and bank balances disposed of	(16)
	(16)

(ii) Business combination

During the period, the Company made a conditional offer to acquire the entire issued share capital of Birmingham City Plc. ("BCP") not already owned by the Company (excluding those already owned by the Company, i.e. 57,129,025 BCP shares) on the terms and subject to the conditions set out in the offer document (the "General Offer") dated 14 September 2009. Under the General Offer, BCP's shareholders entitle to receive 100 pence (approximately HK$12.29) in cash for each BCP share. On 12 October 2009, the date of the acquisition, the Company had received valid acceptance of the General Offer in respect of 52,244,161 BCP shares which represents approximately 64% equity interest in BCP for a consideration of HK$641,893,000. This transaction has been accounted for by the acquisition method of accounting. BCP was incorporated in the U.K. with limited liability. BCP's principal place of business is in the U.K. and is principally engaged in investment holding. BCP has one subsidiary, Birmingham City Football Club Plc. (the "Club"). registered in the U.K. and it is principally engaged in operation of a football league club in the U.K..

The consideration was satisfied as to approximately HK$768,429,000, after expenses by issuing 1,961,694,400 shares by open offer at subscription prices HK$0.4 each on basis of 8 offer share for every 5 existing shares held by the qualifying shareholders of the Company.

The net identifiable assets and liabilities acquired in the transactions, and the excess of the Group's share of net fair value over cost of the acquisition arising therefrom, are as follows:

	Acquiree's carrying amount before combination	**Fair value adjustments**	**Fair value**
	HK$'000	*HK$'000*	*HK$'000*
Net assets liabilities acquired			
Property, plant and equipment	160,965	138,885	299,850
Trademark	—	566,009	566,009
Players' registration	248,271		248,271
Backlog contracts	—	147,560	147,560
Inventories	4,030		4,030
Trade and other receivables	91,227		91,227
Cash and cash equivalents	15,935		15,935
Trade and other payables	(257,830)		(257,830)
Borrowings	(35,041)		(35,041)
Deferred capital grants	(24,880)		(24,880)
Deferred income	(258,592)		(258,592)
Provisions	(29,954)		(29,954)
Deferred tax liabilities	—	(238,687)	(238,687)
	(85,869)		527,898
Less: Non-controlling interest (6%)			(31,639)
			496,259
Goodwill			442,132
Total consideration			938,391
Consideration satisfied by:			
Cash paid			641,893
Fair value of equity interest previously held as available-for-sale financial assets			296,498
			938,391

	HK$'000
Net cash outflow arising on acquisition:	
Consideration paid on cash	641,893
Cash and cash equivalent balances acquired	(15,935)
	625,958

The fair value of the trade and other receivables amounts to HK$91,227,000. The gross amount of trade and other receivables is HK$94,323,000. Impairment was made on the differences on the gross amount and the fair value of trade and other receivables.

The goodwill arose in the acquisition of BCP because the cost of the business combination included the value of synergies with existing businesses and future revenue growth.

Fair value of contingent liabilities in respect of player transfer costs and image rights payable has not been recognised as it is subject to certain specific performance and contractual conditions which cannot be assessed and measured reliably.

Transaction costs of HK$16,704,000 have been expensed and are included in administrative expenses.

The Company previously held 29.9% equity interest of BCFC which was accounted for as available-for-sale financial assets and measured at fair value with changes in fair value recognised in other comprehensive income. The accumulated fair value changes of the 29.9% equity interest of BCP, amounted to HK$236,079,000 was reclassified to profit of loss upon the Group obtained control of BCP.

BCP suffered loss of HK$84,742,000 attributable to the Group's loss for the period between the date of acquisition and the end of the reporting period.

It is impracticable to assess financial impact had the combination taken place at the beginning of the period ended 30 June 2010 due to the changing of the Group financial year and different previous financial year end of BCP as at 31 August.

5. Finance Costs

	For the 15 months period ended 30 June 2010	For the 12 months year ended 31 March 2009
	HK$'000	*HK$'000*
Interest expenses on:		
— Bank loan and overdraft repayable within five years	**15,418**	—
— Other borrowings repayable within five years	**1,976**	—
Finance leases	**61**	—
Imputed interest expense on convertible notes	**19**	538
	17,474	538

6. Loss before Income Tax Expenses

	For the 15 months period ended 30 June 2010	For the 12 months year ended 31 March 2009
	HK$'000	*HK$'000*
Loss before income tax expenses is arrived at after charging:		
Cost of inventories sold *(note 1)*	**6,387**	1,534
Cost on operating expenses *(note 2)*	**440,094**	4,979
Depreciation of property, plant and equipment	**10,106**	436
Release of prepaid land lease expenses	**—**	289
Amortisation of intangible assets	**292,953**	—
Auditors' remuneration		
— current year provision	**1,897**	750
— prior year underprovision	**—**	375
	1,897	1,125
Minimum lease payments under operating lease in respect of premises	**—**	1,281
Net foreign exchange loss	**26,458**	—
Staff costs (excluding directors)		
— wages and salaries	**396,950**	7,756
— contributions on defined contribution retirement plans	**54,325**	140
	451,275	7,896
and crediting:		
Rental income from investment property (net of direct operating expenses)	**—**	(57)

Notes:

1. Cost of inventories sold represents the cost in relation to the sales of sportswear and other accessories in relation to the Club.

2. Cost of operating expenses mainly represents the salaries and related bonus to the football players and expenses incurred during matches from the Club.

7. Income Tax Credit

(a) Income tax credit in the consolidated statement of comprehensive income represents:

	For the 15 months period ended 30 June 2010 *HK$'000*	For the 12 months year ended 31 March 2009 *HK$'000*
U.K.		
Deferred tax credit	**(40,757)**	—
Hong Kong		
Overprovision for prior years	**—**	(78)
	(40,757)	(78)

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising from Hong Kong during the period (31 March 2009: HK$Nil). Taxation for overseas subsidiaries is similarly charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

(b) The income tax credit for the period/year can be reconciled to the accounting loss as follows:

	For the 15 months period ended 30 June 2010 *HK$'000*	For the 12 months year ended 31 March 2009 *HK$'000*
Loss before income tax expenses	**(431,861)**	(91,755)
Taxation calculated at respective domestic statutory tax rates	**(89,118)**	(17,394)
Tax effect of expenses not deductible for taxation purposes	**86,764**	14,984
Tax effect of income not taxable for taxation purposes	**(39,304)**	(229)
Tax effect on unused tax losses not recognised	**901**	2,639
Overprovision in prior year	**—**	(78)
Income tax credit for the period/year	**(40,757)**	(78)

8. Dividend

No dividend was paid or proposed for the fifteen months ended 30 June 2010 (31 March 2009: HK$Nil), nor has any dividend been proposed since the end of reporting date.

9. Loss Per Share

The calculation of basic loss per share is based on the loss for the period attributable to the owners of the Company, and the weighted average number of ordinary shares in issue during the period.

The calculation of diluted loss per share is based on the loss for the period attributable to the owners of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all potential dilutive ordinary shares into ordinary shares.

The calculations of basic and diluted loss per share are based on:

	For the 15 months period ended 30 June 2010	For the 12 months year ended 31 March 2009
	HK$'000	*HK$'000*
Loss:		
Loss attributable to the equity holders of the Company, used in the basic loss per share calculations	**(387,684)**	(91,677)
Add: Imputed interest on convertible notes*	**19**	538
Less: Fair value gain on the derivative component of convertible notes*	**—**	(872)
	(387,665)	(92,011)

	Number of shares	
	For the 15 months period ended 30 June 2010	For the 12 months year ended 31 March 2009
	'000	*'000*
Shares:		
Weighted average number of ordinary shares for basic loss per share calculation	**2,284,551**	836,164
Effect of dilution on weighted average number of ordinary shares in respect of conversion of convertible notes*	**3,163**	43,288
Weighted average number of ordinary shares adjusted for the effect of dilution	**2,287,714**	879,452

* Diluted loss per share amounts for the current period and prior years are the same as the respective basic loss per share amounts because the basic loss per share amounts for the both years are reduced when taking respective convertible notes and share options (where applicable) into account, and therefore the conversion of convertible notes and share options have an anti-dilutive effect on the basic loss per share amounts for the current period and prior years.

10. Intangible Assets

The Group

	Player registration *(note iii)* *HK$'000*	Backlog contract *(note i & ii)* *HK$'000*	Trademark *(note i & iv)* *HK$'000*	Total *HK$'000*
Cost				
At 31 March 2009 and 1 April 2009	—	—	—	—
Addition through business combination	248,271	147,560	566,009	961,840
Additions	204,373	—	—	204,373
Disposals	(127,563)	—	—	(127,563)
Exchange difference	(11,201)	(6,657)	(25,535)	(43,393)
At 30 June 2010	313,880	140,903	540,474	995,257
Accumulated depreciation and impairment				
At 31 March 2009 and 1 April 2009	—	—	—	—
Charge for the period	147,391	145,562	—	292,953
Elimination on disposal	(126,519)	—	—	(126,519)
Exchange difference	(4,718)	(4,659)	—	(9,377)
At 30 June 2010	16,154	140,903	—	157,057
Net carrying value				
At 30 June 2010	297,726	—	540,474	838,200
At 31 March 2009	—	—	—	—

Notes:

(i) The fair value of backlog contracts and trademark as on the date of acquisition were valuated by Kovas Magni Appraisal Limited ("Kovas"), independent qualified professional valuers.

(ii) Backlog contract represents the contract signed between the Club and the Football Association Premier League Limited ("FA Premier") which the Club will have the right to receive an annual income from FA Premier in relation to the income arrived from television broadcastings, sponsorships, merit amount determined by the final position at the ended of the premier league season and the facility fees determined by the number of the matches being broadcasted by FA Premier. The backlog contract signed on a yearly base and will renew before the premier league season starts each year and hence, the amount of backlog contract was being fully amortised during the period.

(iii) The player registration is considered to have a useful life ranging from 1 to 5 years and was tested for impairment at 30 June 2010.

(iv) The trademark is considered to have an indefinite useful life and was tested for impairment at 30 June 2010.

11. Goodwill

The Group

	HK$'000
Cost	
At 31 March 2009 and 1 April 2009	—
Addition through business combinations	442,132
Impairment	(400,000)
Exchange adjustment	(19,947)
At 30 June 2010	22,185

The goodwill is solely allocated to the cash generating unit ("CGU") in the professional football operation by BCP.

Impairment test of goodwill

The fair value of the CGU of goodwill is determined taking into account the valuation performed by Kovas, based on the cash flow forecasts derived from the most recent financial budgets for the next 5 years approved by the management using the discount rate of 10.13% which reflects current market assessments of the time value of money and the risks specific to the CGU. The cash flows beyond the 2-year-period are extrapolated for 3 years using the growth rate with the range of 4% to 6% of per annum depending on the nature of component in cash flow. The recoverable amount of the CGU is determined from value in use calculations.

The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and based on the assumption that the Club will likely to retain Premier league status and all players will continue to make the contractually agreed number of first team appearance during the period. Management estimates discount rates using pre-tax rates and the growth rates based on the football industry growth forecasts. Changes in position of the Club are based on past practices and expectations of future changes in the football industry.

According to the valuation report of Kovas, the value in use of the CGU as of 30 June 2010 was GBP96,619,000 (equivalent to HK$1,133,544,000) and an impairment of approximate HK$400,000,000 (approximate GBP34,094,000) as at 30 June 2010 was noted because the recoverable amount of the CGU with reference to the value in use as at 30 June 2010 performed by Kovas was estimated to be less than its carrying value. Accordingly the value in use is reduced to its recoverable amount.

12. Available-for-sale Financial Assets

	The Group	
	At 30 June 2010	At 31 March 2009
	HK$'000	*HK$'000*
Equity securities listed in U.K.		
At cost of acquisition	**245,287**	245,287
Add: Fair Value gain during the period	**236,079**	—
Less: impairment loss in previous years	**(184,868)**	(184,868)
transfer as investment in subsidiaries	**(296,498)**	—
At fair value	**—**	60,419

The Company acquired 24,375,975 ordinary shares of 10 pence each or approximately 29.9% of the issued capital of BCP at a cash consideration of £14,950,029 (equivalent to approximately HK$237,225,000 at the acquisition date) from independent vendors during the year ended 31 March 2008. As the Company failed to appoint any representative to the board of directors of BCP and had no power to exercise any significant influence or joint control over the financial and operating policy decisions of BCP after the acquisition of approximate 29.9% equity interest in BCP, the directors of the Company consider that the Company's investment in BCP is not an investment in an associate but should be designated as available-for-sale equity securities. Taking into account the transaction costs of HK$8,062,000 that are directly attributable to the Company's acquisition of 29.9% equity interest in BCP, the initial cost of the Company's investment in BCP as at the acquisition date amounted to approximately HK$245,287,000.

On 15 September 2009, the Company made a conditional offer to acquire the entire issued share capital of BCP not already owned by the Company on the terms and subject to the conditions set out in the offer document (the "General Offer") dated 14 September 2009. Under the General Offer, BCP's shareholders will be entitled to receive 100 pence in cash (approximately HK$12.80) for each BCP share. On 12 October 2009, the date of acquisition of BCP shares under the General Offer, the Company received valid acceptance of the General Offer in respect of 52,244,161 BCP shares. Pursuant to the conditions set out in the General Offer document, the Company pays approximately HK$668,725,000 to BCP shareholders which represent approximately 64.10% equity interest in BCP.

With the additional 64.10% equity interest acquired by the Company, BCP becomes a 94.00% owned subsidiary of the Company. The Company had further acquired 2.58% equity interest in BCP after 12 October 2009 and the Group owned a total of 96.58% equity interest in BCP as at 30 June 2010. After the Company had further acquired approximately 64.10% equity interest in BCP and was given power to govern the financial and operating policies of the BCP. BCP becomes a 96.58% equity owned subsidiary of the Company.

Since BCP has effectively after 12 October 2009 become a subsidiary of the Company on 12 October 2009 and with the early adoption of HKFRS 3 (Revised 2008) per management decision, the 29.9% BCP equity interest that the Company acquired earlier which was treated as available-for-sale financial assets should be revaluated at the date where the Company further acquired the additional 64.1% equity interest in BCP and treat as the investment in subsidiary. With reference to the share price of BCP on the date of acquisition, there was a gain of approximately HK$236,079,000 upon the deemed disposal of available-for-sale financial assets and was credited to profit and loss.

During the year ended 31 March 2009, the directors of the Company considered that there is a significant decline in the fair value of the securities, i.e. BCP's market share price quoted on the AIM, below its cost, which is an evidence of impairment. Therefore, an impairment loss on available-for-sale financial assets of HK$73,945,000 was directly recognised in profit or loss for the year ended 31 March 2009 based on the BCP's market share price quoted on the AIM at the spot transaction rate as at 31 March 2009 and result in an aggregate impairment loss of approximately HK$184,868,000 and such amount has been fully recovered due to the early adoption of HKFRS3 (Revised 2008) "Business Combination".

13. Trade Receivables

	The Group	
	At	At
	30 June	31 March
	2010	2009
	HK$'000	*HK$'000*
Trade receivables	**23,171**	4,687
Less: Allowance for doubtful debts	**(751)**	(4,687)
	22,420	—

(i) The average credit period to the Group's trade receivables is 90 days (31 March 2009: 60 days). The average credit period of the Group solely represents the average credit period of BCP as all the trade receivables for the period belongs to BCP.

(ii) The movements in the allowance for doubtful debts during the periods, including both specific and collective loss components, are as follows:

	The Group	
	At	At
	30 June	31 March
	2010	2009
	HK$'000	*HK$'000*
At beginning of period/year	**4,687**	3,354
Impairment loss on trade receivables	**751**	1,333
Reversal of provision for impairment from disposal subsidiaries	**(4,687)**	—
At end of period/year	**751**	4,687

At 30 June 2010, the Group's trade receivables of approximately HK$751,000 (31 March 2009: HK$4,687,000) were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that none of the related receivables is expected to be recovered. Consequently, full allowances for doubtful debts of HK$751,000 (31 March 2009: HK$4,687,000) was recognised. The Group does not hold any collateral over these balances.

(iii) The ageing analysis of gross trade receivables, based on invoice date, is as follows:

	The Group	
	At	At
	30 June	31 March
	2010	2009
	HK$'000	*HK$'000*
Within 30 days	**17,715**	—
31 to 90 days	**2,124**	4,687
91 to 180 days	**669**	—
181 to 365 days	**2,663**	—
	23,171	4,687

14. Transfer Fee Payables, Trade Payables, Accruals and Other Payables

(i) Transfer fee payables

	The Group	
	At 30 June 2010	At 31 March 2009
	HK$'000	*HK$'000*
Transfer fee payables		
— within one year	**148,681**	—
— due after one year	**56,749**	—
	205,430	—

(ii) Trade payables

	The Group	
	At 30 June 2010	At 31 March 2009
	HK$'000	*HK$'000*
Trade payables	**26,409**	—

Trade payables solely belongs to BCP which are stated as fair value.

Trade payables with the following ageing analysis as of the end of reporting period:

	The Group		The Company	
	At 30 June 2010	At 31 March 2009	**At 30 June 2010**	At 31 March 2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Within 30 days	**15,172**	—	**—**	—
31 to 90 days	**9,209**	—	**—**	—
91 days to 180 days	**1,176**	—	**—**	—
181 days to 365 days	**852**	—	**—**	—
	26,409	—	**—**	—

(iii) Accurals and other payables

	The Group	
	At	At
	30 June	31 March
	2010	2009
	HK$'000	*HK$'000*
Receipt in advance	**8,000**	—
Accruals	**73,076**	5,880
Taxation and social security	**63,952**	—
Agent's fee payables	**9,773**	—
	154,801	5,880
Less:		
Other payables — Agent's fee payables after 1 year	**(9,773)**	—
	145,028	5,880

Included in other payables represents the agent's fee paid for the purchase of players during the period and of which HK$9,773,000 was due after 1 year according to the transfer agreement of players. The director considers the amounts in accrual and other payables, both current and non-current, were approximate to their fair value as at 30 June 2010.

15. Borrowings

	The Group	
	At	At
	30 June	31 March
	2010	2009
	HK$'000	*HK$'000*
Borrowings		
Secured		
Bank loans *(i)*	**22,866**	—
Bank overdraft *(i)*	**19,323**	—
Unsecured		
Other loans *(ii)*	**35,543**	—
	77,732	—

As at 30 June 2010, total current and non-current bank loans and overdraft and other borrowings were repayable as follows:

	At 30 June 2010 HK$'000	At 31 March 2009 HK$'000
On demand or within one year	**35,724**	—
More than one year, but not exceeding two years	**41,797**	—
More than two years, but not exceeding five years	**211**	—
	42,008	—
	77,732	—

All of the Group's bank loans, bank overdraft and other loans were demonstrated in GBP.

Notes:

(i) The bank loans and bank overdraft solely arrived from BCP for financing its football operation. The bank loans and the bank overdraft were secured by the BCP's land and building of approximately HK$270,165,000. Included in the above bank loan was the fixed rate bank borrowings of HK$6,788,000 at the interest rate 5.47% per annum (31 March 2009: HK$Nil) and the amount of HK$16,069,000 were the floating rate bank borrowings at LIBOR+3% per annum (31 March 2009: Nil).

(ii) At 30 June 2010, included in other loans are loans from independent parties for approximate HK$34,768,000 (31 March 2009: HK$Nil) which are unsecured, with a 5% fixed interest charged and repayable after one year. Such loans were raised mainly for financing the football operation in BCP and the Company's operation.

16. Share Capital

	At 30 June 2010		At 31 March 2009	
	Number of shares	**Amount**	Number of shares	Amount
		HK$'000		*HK$'000*
Authorised:				
Ordinary shares of HK$0.01 each	**10,000,000,000**	**100,000**	10,000,000,000	100,000
Issued and fully paid:				
At beginning of period/year	**985,151,000**	**9,852**	760,320,000	7,603
Issue of shares upon conversion of Convertible Notes *(i)*	**90,908,000**	**909**	224,831,000	2,249
Placements *(ii)*	**150,000,000**	**1,500**	—	—
Open offer *(iii)*	**1,961,694,400**	**19,617**	—	—
At end of period/year	**3,187,753,400**	**31,878**	985,151,000	9,852

Notes:

(i) On 6 April 2009 and 30 April 2009, the Convertible Notes in the carrying amount of HK$4,108,000 were converted into 90,908,000 shares of HK$0.01 each of the Company, resulting in additional amount of approximately HK$909,000 and HK$3,218,000 standing in the share capital and share premium account respectively.

(ii) On 19 June 2009, the Company raised approximately HK$58,184,000, after expenses by issuing 150,000,000 shares by placements at subscription prices HK$0.4 each to provide additional working capital of the Group, resulting in additional amount of approximately HK$1,500,000 and HK$56,684,000 standing in the share capital and share premium account respectively.

(iii) On 20 October 2009, the Company raised approximately HK$768,429,000, after expenses by issuing 1,961,694,400 shares by open offer at subscription prices HK$0.4 each on basis of 8 offer share for every 5 existing shares held by the qualifying shareholders to provide additional funding for the acquisition of BCP, resulting in additional amount of approximately HK$19,617,000 and HK$748,812,000 standing in the share capital and share premium account respectively.

All the above shares issued by the Company rank pari passu with the existing shares in all respects.

OPINION ON INDEPENDENT AUDITOR'S REPORT

Extracts from the report of the independent auditor of the Company, BDO Limited, are set out as below:

"Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2010 and of the loss and cash flows of the Group for the 15 months period end from 1 April 2009 to 30 June 2010 in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 3(b) in the financial statements which indicates that the Group has incurred a loss of HK$431,201,000 during the period and, as of that date, the Group's current liabilities exceeded its current assets by HK$340,585,000. These conditions, along with other matters as set forth in Note 3(b) of the audited financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern."

MANAGEMENT DISCUSSION AND ANALYSIS

Results

For the fifteen months period ended 30 June 2010, the Group recorded a consolidated turnover of approximately HK$582 million, representing an increase of 5,356% compared to the consolidated turnover of approximately HK$11 million in the twelve months year ended 31 March 2009. Such increase was mainly due to the professional football business revenue generated from Birmingham City Football Club ("BCFC") whose holdings company was acquired by the Company in October 2009.

The Group's net loss for the fifteen months ended 30 June 2010 amounted to approximately HK$431 million (twelve months year ended 31 March 2009: net loss of approximately HK$92 million). In particular, the gain on derecognition of available-for-sale financial assets was a profit of approximately HK$236 million (twelve months year ended 31 March 2009: impairment loss on available-for-sale financial assets of approximately HK$74 million). The expense for the period included the impairment loss on goodwill of HK$400 million, the amortisation of intangible assets in the United Kingdom of approximately HK$293 million (twelve months year ended 31 March 2009: these expenses was nil) and the staff costs of approximately HK$451 million (twelve months year ended 31 March 2009: staff costs of approximately HK$8 million). The loss of the Group for the current period was mainly due to a very significant impairment loss on the goodwill.

Business Review and Prospects

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

Football Operation Business

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

BCP Group contributed a turnover of approximately HK$580 million to the Group's turnover for the period. It contributed a profit before additional depreciation for revalued property and amortisation of intangible assets of approximately HK$135 million and a net loss of HK$5 million to the Group's loss for the period (twelve months year ended 31 March 2009: nil as no this business).

Apparel Sourcing and Trading Business

As the Group facing a comprehensive challenge from apparel competitors, the Group temporarily recorded no turnover (twelve months year ended 31 March 2009: approximately HK$2 million) in apparel sourcing and trading business in the period.

However, on 14 January 2010, the Group entered into the agreements in relation to the sponsorship to be received by the Group from Xtep HK which is a wholly-owned subsidiary of Xtep International Holdings Limited (Stock code: 1368) ("Xtep"), the cooperation in manufacturing and selling of the "BCFC-Xtep" branded sportswear and joint promotion of the "BCFC-Xtep" from August 2010 to May 2015. The cooperation with Xtep is a crucial strategy of the Group in re-developing the apparel sourcing and trading business. It helps to bring revenue streams into the Group in coming years.

Entertainment and Media Business

In the fifteen months period ended 30 June 2010, the Group recorded a turnover of approximately HK$2 million (twelve months year ended 31 March 2009: approximately HK$8 million) relating to entertainment and media services in the Group's overall turnover.

On 4 November 2009, the Group entered into the agreement in relation to aviation media business. The proposed subsidiary of the target company has entered into the aviation cooperation agreement with Tianjin Airlines and other airlines. On 4 May 2010, the Group also entered into the agreement in relating railway media and advertising business. The subsidiary of the target company has signed the master services agreement with CBT which has signed the cooperation agreement with China International Television Corporation (中國國際電視總公司) and the cooperation agreement with China Railway Signal & Communication Corporation (中國鐵路通信信號集團公司). These two transactions will provide a good opportunity for the Company to participate in the media business, which in turn will broaden the Company's revenue base which would have a positive impact on profitability of the Company in near future.

Dividend

No dividend was paid or proposed for the fifteen months period ended 30 June 2010 (twelve months year ended 31 March 2009: HK$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 2010 was 19.37% (31 March 2009: 13.16%) and the gearing ratio (borrowings in long term portion to equity and non-current liabilities) of the Group as at 30 June 2010 was 25.28% (31 March 2009: not applicable). The ratio of total liabilities to total assets of the Group as at 30 June 2010 was 72.68% (31 March 2009: 195.04%)

As at 30 June 2010, the cash and bank balances of the Group amounted to approximately HK$16 million, representing a increase of 435.85% compared to the cash and bank balances of approximately HK$3 million as at the last financial period end.

As at 30 June 2010, the borrowings (including current portion and long term portion) of the Group amounted to approximately HK$78 million (31 March 2009: Nil), representing bank overdraft and bank loans in the United Kingdom.

Capital Raising

On 19 June 2009, the Company raised approximately HK$58,184,000, after expenses by issuing 150,000,000 shares by placements at subscription prices HK$0.40.

On 20 October 2009, new shares (the "Offer Shares") were issue by way of open offer (the "Open Offer") at an offer price of HK$0.40 each on the basis of eight Offer Shares for every five existing shares held by the qualifying shareholders of the Company. The aggregate consideration, net of expenses, amounted to approximately HK$768,429,000.

On 22 October 2010, the Company and the placing agent entered into the fully underwritten placing agreement and the best effort placing agreement. For the details of this event, it refers to under the heading of "Event after reporting period".

Very Substantial Acquisition during the period

On 29 September 2009, the shareholders of the Company approved the acquisition of BCP by the method of general offer including the escrow arrangement relating to the deposit. The total consideration of the acquisition was £57,129,025 (approximately HK$731,251,520) for 57,129,025 shares of BCP at 100 pence. As at 12 October 2009, the Company acquired approximately 94% shares of BCP. As at 30 June 2010, the Company acquired approximately 96.58% share of BCP.

Contingent Liabilities

The Group had the following outstanding litigations at the end of reporting period:

Player transfer costs

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 2010 was approximately HK$18,947,000 (equivalent to £1,615,000). As the end of the reporting period and up to the date of approval of the financial statement, none of these amounts has become crystallise.

No outstanding litigation at the end of the reporting period was noted in the Company.

Events After the Reporting Period

On 4 November 2009, the Company entered into the agreement to acquire the entire issued share capital of Peace International Creation Limited at a consideration of approximately HK$909,090,000 (equivalent to RMB8,000,000) which constituted a major acquisition. Since additional time is required for the Company to prepare the circular, the company had announced the delayed of the dispatch of circular on 4 December 2009, 23 April 2009, 27 April 2009 and 26 July 2010 for the first, second, third and fourth delay respectively. The aforesaid acquisition is still in progress at the end of reporting period and up to approval of the financial statement.

On 4 May 2010, the Company entered into the agreement to acquire the entire issued share capital of Diligent King Investment Limited-a subsidiary wholly owned by the executive director of the Company Mr. Carson Yeung at a consideration of approximately HK$3,600,000,000 which constituted a very substantial acquisition and a connected transaction. Since additional time is required for the Company to prepare the circular, The company had announced a delay of the dispatch of circular on 8 June 2010 and 8 September 2010 for the first and second delay respectively. The aforesaid acquisition is still in progress at the end of reporting period and up to approval of the financial statement.

On 22 October 2010, the Company and the placing agent entered into the fully underwritten placing agreement pursuant to which the placing agent has conditionally agreed to place and procure the placing of, a total of 450,000,000 fully underwritten placing shares at placing price of HK$0.20 by a maximum of three tranches on a fully underwritten basis. At the same date, the Company and the placing agent also entered into the best effort placing agreement pursuant to which the placing agent has conditionally agreed to place and procure the placing of, a total of 1,100,000,000 best effort placing shares at placing price of HK$0.20 by a maximum of six tranches on a best effort basis.

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 2010, the Group has the freehold land and buildings with the carrying value of approximately £23 million (equivalent to approximately HK$270 million) pledged to HSBC for the bank borrowings and the general banking facilities granted to the Group. The secured bank borrowings of the Group of approximately HK$42 million are also secured by unlimited multilateral guarantees given by certain of its subsidiaries in the Group.

As at 31 March 2009, the property of Sun Tai Hing Garment Making Company Limited ("Sun Tai Hing"), a subsidiary of the Company, was charged by the plaintiff for the claim in a writ on 11 September 2007.

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

Commitment

The Group

	At 30 June 2010	At 31 March 2009
	HK$'000	*HK$'000*
Commitments for the acquisition of property, plant and equipment		
— contracted for but not provided	**634**	—

As at 30 June 2010 and 31 March 2009, the Company did not have any capital commitment.

HUMAN RESOURCE

As at 30 June 2010, the Group employs approximately 200 full time employees and approximately 360 temporary staff in Hong Kong and the United Kingdom (31 March 2009: 50 employees). The Group remunerated its employees mainly based on industrial practice, individual's performance and experience. Apart from the basic remuneration, discretionary bonus may be granted to eligible employees with reference to the Group's performance as well as the individual performance. In addition, share options may also be granted from time to time in accordance with the term of the Company's approved Share Option Scheme.

PURCHASE, SALE OF REDEMPTION OF SECURITIES OF THE COMPANY

During the fifteen months period ended 30 June 2010, 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 Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules throughout the fifteen months period ended 30 June 2010 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 one of non-executive Directors ("NEDs") and all independent non-executive Directors ("INEDs") are not appointed for specific terms. According to the provisions of the Company's Articles of Association, however, the NEDs 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.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own Code of conduct regarding securities transaction by the Directors of the Company. All Directors have confirmed following specific enquiry by the Company that they have complied with the required standard set out in the Model Code during the fifteen months period ended 30 June 2010.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company has reviewed with the management in the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including review of the audited financial information and financial report for the fifteen months period ended 30 June 2010.

REMUNERATION COMMITTEE

The Remuneration Committee comprises three independent non-executive directors of the Company, is responsibility for reviewing and evaluating the remuneration policies of executive directors and senior management and making recommendations to the Board from time to time.

NOMINATION COMMITTEE

The Nomination Committee comprises three independent non-executive directors of the Company. The primary role is to ensure that there is a formal and transparent procedure adopted by the Company for the nomination of directors of the Company.

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 fifteen months period ended 30 June 2010 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
Hui Ho Luek, Vico
Executive Director and Chief Executive Officer

Hong Kong, 26 October 2010

As at the date of this announcement, the executive Directors 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 Karembeu 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.