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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Birmingham Sports Holdings Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

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## BIRMINGHAM SPORTS HOLDINGS LIMITED

### 伯明翰體育控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 2309)

**(1) PROPOSED SHARE CONSOLIDATION;  
(2) PROPOSED CHANGE IN BOARD LOT SIZE;  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

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Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” of this circular, unless the context otherwise requires.

A notice convening the EGM to be held at Theatre R1, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 2 February 2023 at 4:00 p.m. or any adjournment thereof is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

This circular will remain on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.bshl.com.hk](http://www.bshl.com.hk)).

In line with the prevailing practices and guidelines on the prevention of coronavirus (“COVID-19”), the Company may, depending on the development with regard to COVID-19, implement additional precautionary measures at the EGM which may include without limitation:

- compulsory body temperature screening;
- mandatory use of self-prepared surgical face masks at all times during the attendance of the EGM;
- no refreshments or corporate gifts will be provided to attendees; and
- other practical precautions which may include maintaining appropriate distancing and spacing at the venue, limiting the number of attendees at the EGM as may be necessary to avoid over-crowding.

In light of the present risks posed by the COVID-19 pandemic, and if such risks continue at the time of the EGM, the Company strongly encourages the Shareholders to exercise their right to appoint the chairperson of the EGM as their proxy to vote according to their indicated voting instructions as an alternative to attending the EGM in person. The Company may implement further changes and precautionary measures as appropriate.

10 January 2023

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## DEFINITIONS

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*In this circular, the following expressions shall have the following meanings, unless the context requires otherwise:*

“Board”	the board of Directors;
“Business Day(s)”	a day (other than Saturday, Sunday, public holiday in Hong Kong or days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for general banking business;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time;
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 20,000 Existing Shares to 2,000 Consolidated Shares upon the Share Consolidation becoming effective;
“Company”	Birmingham Sports Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 2309);
“Consolidated Share(s)”	ordinary share(s) of the Company with a par value of HK\$0.25 each immediately after the Share Consolidation becoming effective;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened and held at Theatre R1, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 2 February 2023 at 4:00 p.m. for considering, and if thought fit, approving the resolution as set out in the notice of EGM;
“Existing Shares”	ordinary share(s) of the Company with a par value of HK\$0.01 each prior to the Share Consolidation becoming effective;
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;

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## DEFINITIONS

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“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	5 January 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Listing Committee”	has the meaning ascribed to it under the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Share(s)”	the Existing Share(s) and/or the Consolidated Share(s), as the case may be;
“Shareholder(s)”	holder(s) of issued Share(s);
“Share Consolidation”	the proposed consolidation of every twenty-five (25) issued and unissued Existing Shares in the share capital of the Company into one (1) Consolidated Share;
“Share Option(s)”	the option(s) to subscribe for new shares of the Company granted under the Share Option Scheme;
“Share Option Scheme”	the share option scheme adopted by the Company on 30 December 2016; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

*In the event of any inconsistency, the English text of this circular, the notice of EGM and the accompanying form of proxy shall prevail over the Chinese text.*

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## EXPECTED TIMETABLE

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Set out below is the expected timetable for the Share Consolidation and the Change in Board Lot Size.

<b>Events</b>	<b>Time and Date</b>
Latest time for lodging transfer of the Existing Shares in order to be qualified for attendance and voting at the EGM	4:30 p.m. on Friday, 27 January 2023
Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM (both days inclusive)	from Monday, 30 January 2023 to Thursday, 2 February 2023 (both days inclusive)
Latest date and time for lodging proxy forms for the EGM	4:00 p.m. on Tuesday, 31 January 2023
Date and time of the EGM	4:00 p.m. on Thursday, 2 February 2023
Announcement of poll results of the EGM	Thursday, 2 February 2023

**The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation and the Change in Board Lot Size.**

Effective date of the Share Consolidation	Monday, 6 February 2023
First day of free exchange of existing share certificates of the Existing Shares for new share certificates of the Consolidated Shares	Monday, 6 February 2023
Commencement of dealings in the Consolidated Shares	9:00 a.m. on Monday, 6 February 2023
Original counter for trading in the Existing Shares in board lots of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Monday, 6 February 2023
Temporary counter for trading in board lots of 800 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Monday, 6 February 2023
Original counter for trading in the Consolidated Shares in board lot of 2,000 Consolidated Shares (in the form of new share certificates for Consolidated Shares) re-opens	9:00 a.m. on Monday, 20 February 2023
Parallel trading in the Consolidated Shares (in the form of existing share certificates and new share certificates for the Consolidated Shares) commences	9:00 a.m. on Monday, 20 February 2023

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## EXPECTED TIMETABLE

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<b>Events</b>	<b>Time and Date</b>
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	9:00 a.m. on Monday, 20 February 2023
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	4:00 p.m. on Friday, 10 March 2023
Temporary counter for trading in the Consolidated Shares in board lots of 800 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Friday, 10 March 2023
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) ends	4:10 p.m. on Friday, 10 March 2023
Last day for free exchange of existing share certificates of the Existing Shares for new share certificates of the Consolidated Shares	Tuesday, 14 March 2023

*Note:*

The expected timetable is for indicative purpose only and may be extended or varied. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates above refer to Hong Kong local times and dates.

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## LETTER FROM THE BOARD

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### BIRMINGHAM SPORTS HOLDINGS LIMITED

### 伯明翰體育控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2309)**

*Executive Directors:*

Mr. Zhao Wenqing (*Chairman*)  
Mr. Huang Dongfeng (*Chief Executive Officer*)  
Mr. Yiu Chun Kong  
Dr. Guo Honglin

*Non-executive Director:*

Mr. Sue Ka Lok

*Independent Non-executive Directors:*

Mr. Pun Chi Ping  
Ms. Leung Pik Har, Christine  
Mr. Yeung Chi Tat

*Registered office:*

4th Floor, Harbour Place  
103 South Church Street  
George Town  
P.O. Box 10240  
Grand Cayman KY1-1002  
Cayman Islands

*Principal place of business in*

*Hong Kong:*

31/F., Vertical Sq  
No. 28 Heung Yip Road  
Wong Chuk Hang  
Hong Kong

10 January 2023

*To the Shareholders*

Dear Sir/Madam,

**(1) PROPOSED SHARE CONSOLIDATION;  
(2) PROPOSED CHANGE IN BOARD LOT SIZE;  
AND  
(3) NOTICE OF EGM**

#### **INTRODUCTION**

Reference is made to the announcement of the Company dated 21 December 2022 in relation to, among other matters, the Share Consolidation and the Change in Board Lot Size.

The purpose of this circular is to provide the Shareholders with, among other matters, further details of the Share Consolidation, the Change in Board Lot Size and the notice of the EGM.

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## LETTER FROM THE BOARD

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### PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every twenty-five (25) issued and unissued Existing Shares in the share capital of the Company be consolidated into one (1) Consolidated Share.

#### Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$500,000,000 divided into 50,000,000,000 Existing Shares with a par value of HK\$0.01 each, of which 19,288,998,525 Existing Shares have been allotted and issued as fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective and assuming there will be no change in the issued Shares of the Company from the Latest Practicable Date up to the effective date of the Share Consolidation, the authorised share capital of the Company will become HK\$500,000,000 divided into 2,000,000,000 Consolidated Shares with a par value of HK\$0.25 each, of which 771,559,941 Consolidated Shares will be in issue.

As at the Latest Practicable Date, other than the Share Options granted under the Share Option Scheme, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares.

Other than the relevant expenses incurred, the implementation of the Share Consolidation will have no effect on the consolidated total asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Group or the interests of the Shareholders as a whole, save for any fractional Consolidated Shares (if any) to which the Shareholders would otherwise be entitled. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Company.

#### Status of the Consolidated Shares

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other, and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

#### Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions being fulfilled:

1. the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM;
2. the Listing Committee granting the approval for listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and



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## LETTER FROM THE BOARD

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3. the compliance with the relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

Subject to the fulfillment of the conditions of the Share Consolidation, the Share Consolidation will become effective on Monday, 6 February 2023, being the second Business Day immediately after the date of the EGM. As at the Latest Practicable Date, none of the conditions above had been fulfilled.

### **Listing application**

An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective and the Consolidated Shares which may be issued pursuant to the exercise of the Share Options granted or which may be granted under the Share Option Scheme.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

### **Fractional entitlement to Consolidated Shares**

Fractional Consolidated Shares arising from the Share Consolidation and the Change in Board Lot Size, if any, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Shareholders who are concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling the Existing Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

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## LETTER FROM THE BOARD

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### **Arrangement on odd lot trading**

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company has appointed Lego Securities Limited as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares from 9:00 a.m. on Monday, 20 February 2023 to 4:00 p.m. on Friday, 10 March 2023 (both days inclusive). Shareholders who wish to take advantage of this service should contact Mr. Kelvin Li of Lego Securities Limited at Room 301, 3/F, China Building, 29 Queen's Road Central, Hong Kong or at telephone number (852) 3188 8055 during normal business hours of such period. Holders of the Shares who would like to match odd lots are recommended to make an appointment in advance by dialing the telephone number of Lego Securities Limited set out above.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

### **Exchange of share certificates**

Subject to the Share Consolidation becoming effective, which is currently expected to be on Monday, 6 February 2023, being the second Business Day immediately after the date of the EGM, the Shareholders may during the period from Monday, 6 February 2023 to Tuesday, 14 March 2023 (both days inclusive), submit their existing share certificates for the Existing Shares (in the colour of blue) to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, to exchange for new share certificates for the Consolidated Shares (in the colour of orange) at the expense of the Company.

Thereafter, share certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of share certificates cancelled/issued is higher.

After Friday, 10 March 2023, share certificates for the Existing Shares will remain valid and effective as documents of title and may be exchanged for share certificates for the Consolidated Shares at any time but will cease to be valid for delivery, trading and settlement purposes.

### **Adjustments in relation to other securities of the Company**

As at the Latest Practicable Date, a total of 1,771,002,250 Existing Shares may be granted under the scheme limit of the Share Option Scheme. As a result of the Share Consolidation, the maximum number of Consolidated Shares which may fall to be issued under the scheme limit of the Share Option Scheme will be adjusted to 70,840,090 Consolidated Shares pursuant to the terms of the Share Option Scheme.

## LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company has outstanding Share Options entitling the holders thereof to subscribe for an aggregate of 278,350,498 Existing Shares under the Share Option Scheme. As a result of the Share Consolidation and in accordance with the Share Option Scheme, the exercise price and the number of Consolidated Shares to be issued upon exercise of the outstanding Share Options will be adjusted as follows with effect from the effective date (i.e. on Monday, 6 February 2023) of the Share Consolidation. The Company will make further announcement(s) on such adjustment(s) as and when appropriate.

Name or category of participant	Date of grant	Exercisable period (both dates inclusive)	Number of Share Options granted as adjusted by the rights issue completed on 23 April 2019	Immediately prior to the adjustments as a result of completion of the Share Consolidation		Immediately after the adjustments as a result of completion of the Share Consolidation	
				Exercise price per Existing Share HK\$	Number of Existing Shares to be issued under the outstanding Share Options	Adjusted exercise price per Consolidated Share HK\$	Adjusted number of Consolidated Shares to be issued under the outstanding Share Options
<b>Directors:</b>							
Mr. Zhao Wenqing	6 December 2018	6 December 2018 to 5 December 2023	22,268,042	0.09736	22,268,042	2.434	890,722
		6 December 2019 to 5 December 2023	22,268,041	0.09736	22,268,041	2.434	890,721
		6 December 2020 to 5 December 2023	22,268,041	0.09736	22,268,041	2.434	890,721
Mr. Huang Dongfeng	6 December 2018	6 December 2018 to 5 December 2023	22,268,042	0.09736	22,268,042	2.434	890,722
		6 December 2019 to 5 December 2023	22,268,041	0.09736	22,268,041	2.434	890,721
		6 December 2020 to 5 December 2023	22,268,041	0.09736	22,268,041	2.434	890,721
			133,608,248		133,608,248		5,344,328
<b>Employees</b>	6 December 2018	6 December 2018 to 5 December 2023	66,804,123	0.09736	47,876,271	2.434	1,915,049
		6 December 2019 to 5 December 2023	66,804,124	0.09736	48,989,691	2.434	1,959,589
		6 December 2020 to 5 December 2023	66,804,123	0.09736	47,876,288	2.434	1,915,050
			200,412,370		144,742,250		5,789,688
			334,020,618		278,350,498		11,134,016

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## LETTER FROM THE BOARD

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Save for the aforesaid, the Company has no other outstanding options, warrants or securities in issue which are convertible or exchangeable into Existing Shares or Consolidated Shares, as the case may be, as at the Latest Practicable Date.

### **PROPOSED CHANGE IN BOARD LOT SIZE**

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in the board lot size of 20,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 20,000 Shares to 2,000 Consolidated Shares conditional upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.05 per Existing Share (equivalent to the theoretical closing price of HK\$1.25 per Consolidated Share upon the Share Consolidation becoming effective) as quoted on the Stock Exchange as at the Latest Practicable Date, (i) the market value of each board lot of 20,000 Existing Shares was HK\$1,000; and (ii) the market value of each board lot of 2,000 Consolidated Shares, assuming the Share Consolidation and the Change in Board Lot Size had already been effective, would be HK\$2,500.

The Change in Board Lot Size will not result in change in the relative rights of the Shareholders.

### **REASONS FOR THE SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE**

Under Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020 (the “Guide”) has further stated that (i) market price of the shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

As at the Latest Practicable Date, the closing price of the Existing Shares was HK\$0.05 each and they have predominantly been traded below HK\$0.10 and the existing board lot value has generally been less than HK\$2,000 over the past 12 months. Based on the prevailing market price of the Existing Shares, the Board considers the Existing Shares is trading at extremity pursuant to Rule 13.64 of the Listing Rules and the Guide and concludes that it is appropriate to conduct the Share Consolidation and the Change in Board Lot Size. It is expected that the Share Consolidation will increase the nominal value of the Existing Shares, and the Share Consolidation and the Change in Board Lot Size will bring about a corresponding upward adjustment in the trading price per Consolidated Share, thus enabling the Company to comply with the trading requirements under the Listing Rules.

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## LETTER FROM THE BOARD

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Upon the Share Consolidation and the Change in Board Lot Size becoming effective, the share price of the Company would be adjusted to HK\$1.25 (based on the closing price of HK\$0.05 per Existing Share as at the Latest Practicable Date), and with a new board lot size of 2,000 Consolidated Shares, the new board lot value would be HK\$2,500, which would be greater than the required HK\$2,000 as stipulated in the Guide.

The Company has considered other alternative ratios for the Share Consolidation and has proposed the consolidation of every twenty-five (25) issued and unissued Existing Shares into one (1) Consolidated Share (the “Proposed Consolidation Ratio”) after taken into account (i) the recent notable market volatility; (ii) that the Company aimed to adjust the market price of the Shares to above HK\$1.0 which the Company believes that this would enhance the corporate image of the Company and make investing in the Shares more attractive to a broader range of investors, particularly the institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor, and thus further broadening the shareholder base of the Company and facilitate future fund-raising exercises; and (iii) the negative impact arising from the creation of odd lots. The Proposed Consolidation Ratio is the smallest ratio that would adjust the market price of the Shares to above HK\$1.0 while avoiding creating odd lots.

Based on the existing board lot size of 20,000 Shares, the board lot value would be HK\$25,000 (based on the adjusted share price of the Company of HK\$1.25, being the closing price of HK\$0.05 per Existing Shares as at the Latest Practicable Date as adjusted by the Share Consolidation), which is considered too high according to market norm. The new size of board lot would make the Shares more marketable and suitable for trading by existing Shareholders and potential investors.

Further, as disclosed in the annual report of the Company for the year ended 30 June 2022, the Company has been looking for investment opportunities around the world in a prudent and proactive manner so as to expand the business portfolio of the Group. Re-occurrence of any non-compliance with the aforesaid trading requirements of the Listing Rules and the Guide may hinder future fund-raising activities for the Group’s investment and expansion plans. As such, the Board considers the Proposed Consolidation Ratio is the optimal ratio to facilitate the Company’s possible equity fund raising in the future.

The Company also believes that the Share Consolidation and the Change in Board Lot Size would reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction cost for each securities trade which will correspondingly increase the liquidity of the trading of the Consolidated Shares.

Save for the necessary professional expenses for the implementation of the Share Consolidation and the Change in Board Lot Size, the implementation of the Share Consolidation and the Change in Board Lot Size will not alter the underlying assets, business operation, management or financial position of the Company and the proportionate interests and rights of the Shareholders.

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## LETTER FROM THE BOARD

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In light of the above reasons, the Board considers that the Share Consolidation and the Change in Board Lot Size are justifiable notwithstanding of the potential costs and negative impact arising from creation of odd lots to Shareholders. Taking into account of the potential benefits and the insignificant amount of costs to be incurred, the Board is of the view that the Share Consolidation and the Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation and the Change in Board Lot Size. As at the Latest Practicable Date, the Company does not have any other plan, agreement, arrangement or understanding, intention, or negotiation (either concluded or in process) to conduct any fund-raising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund-raising opportunities arise in order to support future development of the Company. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 30 January 2023 to Thursday, 2 February 2023 (both days inclusive) for determining the identities of the Shareholders entitled to attend and vote at the EGM. No transfer of Shares will be registered during the above book closure period. In order to qualify for attending and voting at the EGM or any adjournment thereof, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, 27 January 2023.

### **THE EGM**

A notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular. The EGM will be convened at Theatre R1, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 2 February 2023 at 4:00 p.m. for the purpose of considering and, if thought fit, approve, among others, the Share Consolidation. The resolution approving the Share Consolidation will be conducted by way of poll at the EGM and an announcement on the results of the EGM will be made by the Company after the EGM. As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder will be required to abstain from voting on the relevant resolutions to be proposed at the EGM.

A proxy form for use by the Shareholders at the EGM is enclosed with this circular. Whether or not you intend to attend and vote at the EGM in person, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed on such form and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event no later than 48 hours before the time appointed for the holding of the EGM or any adjourned meeting. Completion and return of the proxy form will not preclude you from attending and voting at the EGM in person or any adjourned meeting, as the case may be, should you so desire.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors consider that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed in the EGM.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
On behalf of the Board  
**Birmingham Sports Holdings Limited**  
**Zhao Wenqing**  
*Chairman*

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## NOTICE OF EGM

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### BIRMINGHAM SPORTS HOLDINGS LIMITED

### 伯明翰體育控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2309)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of Birmingham Sports Holdings Limited (the “Company”) will be held at Theatre R1, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 2 February 2023 at 4:00 p.m. (or any adjournment thereof) for the purpose of considering and, if thought fit, passing, with or without modification, the following ordinary resolution:

#### ORDINARY RESOLUTION

1. **“THAT** subject to and conditional upon, (i) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below), and (ii) the compliance with the relevant procedures and requirements under the applicable laws of the Cayman Islands and the Rules Governing the Listing of Securities on the Stock Exchange to effect the Share Consolidation, with effect from the second business day immediately following the date on which this resolution is passed or the above conditions are fulfilled (whichever is later):
  - (a) every twenty-five (25) issued and unissued shares with a par value of HK\$0.01 each in the share capital of the Company (the “Existing Share(s)”) be consolidated into one (1) share with a par value of HK\$0.25 each (the “Consolidated Share(s)”), and such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of shares contained in the memorandum and articles of association of the Company (the “Share Consolidation”) so that following the Share Consolidation, the authorised share capital of the Company will be changed from HK\$500,000,000 divided into 50,000,000,000 Existing Shares with a par value of HK\$0.01 each to HK\$500,000,000 divided into 2,000,000,000 Consolidated Shares with a par value of HK\$0.25 each;



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## NOTICE OF EGM

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- (b) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to the shareholders of the Company but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the directors of the Company (the “Director(s)”) may think fit; and
- (c) the Directors be and are hereby authorised generally to do all such acts, deeds and things and to effect all necessary actions as they may consider necessary or desirable in order to give effect to the Share Consolidation and the transactions contemplated thereunder.”

By Order of the Board  
**Birmingham Sports Holdings Limited**  
**Zhao Wenqing**  
*Chairman*

Hong Kong, 10 January 2023

*Notes:*

- (1) The register of members of the Company will be closed from Monday, 30 January 2023 to Thursday, 2 February 2023 (both days inclusive) for determining the identities of the shareholders entitled to attend and vote at the EGM. No transfer of shares will be registered during the above book closure period. In order to qualify for attending and voting at the EGM or any adjournment thereof, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, 27 January 2023.
- (2) Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint another person as his or her proxy to attend and vote on his or her behalf. A shareholder of the Company who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
- (3) To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority must be lodged at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
- (4) Where there are joint holders of share(s) of the Company, any one of such holders may vote at the EGM either personally or by proxy in respect of such share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders be present at the EGM personally or by proxy, that one of such holders so presents whose name stands first on the register of members of the Company in respect of such share(s) shall alone be entitled to vote in respect thereof.
- (5) Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (6) As required under the Rules Governing the Listing of Securities on the Stock Exchange, the above resolution will be voted by way of poll.
- (7) If tropical cyclone warning No. 8 or above, or a “black rainstorm warning signal” is in effect any time after 7:00 a.m. on the date of the EGM, the EGM may be postponed in accordance with the articles of association of the Company. The Company will publish an announcement on the website of the Company at [www.bshl.com.hk](http://www.bshl.com.hk) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) on the “Latest Company Announcements” page to notify shareholders of the Company of the date, time and place of the rescheduled meeting.
- (8) In the event of any inconsistency, the English text of this notice shall prevail over the Chinese text.

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## NOTICE OF EGM

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- (9) In line with the prevailing practices and guidelines on the prevention of coronavirus (“COVID-19”), depending on the development of COVID-19, special precautionary measures will be implemented by the Company at the EGM, which may include without limitation the following:
- (i) compulsory body temperature screening;
  - (ii) mandatory use of self-prepared surgical face masks at all times during the attendance of the EGM;
  - (iii) no refreshments and corporate gifts will be provided to the attendees; and
  - (iv) other practical precautions which may include maintaining appropriate distancing and spacing at the venue, limiting the number of attendees at the EGM as may be necessary to avoid over-crowding.

Please be advised that anyone who has any flu-like symptoms or is subject to the mandatory quarantine order imposed by the Hong Kong Government will not be permitted to attend the EGM. Should any attendee refuse to comply with any of the abovementioned measures, the Company reserves the right to deny access of such attendee to the meeting venue.

In light of the present risks posed by the COVID-19 pandemic, and if such risks continue at the time of the EGM, the Company strongly encourages the Shareholders to exercise their right to appoint the chairperson of the EGM as their proxy to vote according to their indicated voting instructions as an alternative to attending the EGM in person. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures as appropriate.

- (10) As at the date of this notice, the Board comprises eight Directors, Mr. Zhao Wenqing (*Chairman*), Mr. Huang Dongfeng (*Chief Executive Officer*), Mr. Yiu Chun Kong and Dr. Guo Honglin as Executive Directors; Mr. Sue Ka Lok as Non-executive Director; and Mr. Pun Chi Ping, Ms. Leung Pik Har, Christine and Mr. Yeung Chi Tat as Independent Non-executive Directors.