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Blue River Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 498)

DISCLOSEABLE TRANSACTION ACQUISITION OF LISTED SECURITIES

THE ACQUISITION

On 21 June 2023, the Company, through the Acquirer, acquired a total of 410,000,000 Listco Shares (representing approximately 6.7% of the total issued share capital of the Listco as at the date of this announcement) on the open market at an aggregate consideration of HK\$98.4 million (exclusive of transaction costs) (equivalent to the price of HK\$0.24 per Acquired Share).

Prior to the Acquisition, the Group held 55,000,000 Listco Shares, representing approximately 0.9% of the total issued share capital of the Listco. Upon completion of the Acquisition, the Group holds an aggregate of 465,000,000 Listco Shares, representing approximately 7.6% of the total issued share capital of the Listco.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION

On 21 June 2023, the Company, through the Acquirer, acquired a total of 410,000,000 Listco Shares (representing approximately 6.7% of the total issued share capital of the Listco as at the date of this announcement) on the open market at an aggregate consideration of HK\$98.4 million (exclusive of transaction costs) (equivalent to the price of HK\$0.24 per Acquired Share). The Acquisition was funded by the internal resources of the Group.

Prior to the Acquisition, the Group held 55,000,000 Listco Shares, representing approximately 0.9% of the total issued share capital of the Listco. Upon completion of the Acquisition, the Group holds an aggregate of 465,000,000 Listco Shares, representing approximately 7.6% of the total issued share capital of the Listco.

As the Acquisition was made on the open market, the Company is not aware of the identities of the seller(s) of the Acquired Shares and accordingly, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the seller(s) of the Acquired Shares and its(their) respective ultimate beneficial owner(s) (where applicable) is(are) Independent Third Parties.

INFORMATION ON THE LISTCO

According to publicly available information, the Listco and its subsidiaries are principally engaged in investment holdings, tactical and/or strategical investments (including property investments), provision of financial services including the Securities and Futures Commission regulated activities, namely Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 8 (securities margin financing) and Type 9 (asset management) and provision of credit and lending services regulated under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

Set out below is the audited consolidated financial information of the Listco for the two financial years ended 31 December 2021 (“FY2021”) and 2022 as extracted from the annual report of the Listco for the year ended 31 December 2022 (“FY2022”):

	FY2022	FY2021
	(audited)	(audited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Total revenue	109,193	(3,101,855)
		<i>(Note)</i>
Loss before taxation	79,288	3,551,087
Loss after taxation	81,088	3,145,728

Note: The negative revenue of approximately HK\$3,102 million of the Listco for FY2021 was mainly attributable to the net loss on sales of financial assets at fair value through profit or loss amounting to approximately HK\$3,225 million recorded during the corresponding year.

As extracted from the annual report of the Listco for FY2022, the audited net assets value of the Listco was approximately HK\$5,278 million as at 31 December 2022.

INFORMATION OF THE GROUP AND THE ACQUIRER

The Company is an investment holding company incorporated in Bermuda with limited liability. The Group is principally engaged in, *inter alia*, development and operation of ports, infrastructure, gas distribution and logistics facilities in the PRC, property investment, securities trading and investment, and provision of financing related services.

The Acquirer, an indirect wholly-owned subsidiary of the Company, is an investment holding company incorporated in the Republic of the Marshall Islands with limited liability.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Acquisition is carried out in the ordinary and usual course of the Group's businesses. The Acquisition is within the Group's principal activities which include, *inter alia*, securities trading and investment.

The Group seeks to shelter in stocks with more stable fundamentals and low share price. The Listco Shares are significantly undervalued as the Listco Shares have been trading at a substantial discount to the net assets value per Listco Share over the past 52-week period. The Listco Shares trade at a range of HK\$0.23 to HK\$0.5

while the audited net assets value per Listco Share amounted to approximately HK\$0.864 as at 31 December 2022. Accordingly, the Listco Shares have been trading at a discount range of approximately 42.1% to 73.4% to its net assets value. Assuming the fundamentals of the Listco remain unchanged and Hong Kong remains as a major international financial centre, the Listco represents an attractive value stock pick with potential for higher return. The Company intends to hold the Acquired Shares as long term investments and would be classified as financial assets at fair value through other comprehensive income.

Upon completion of the Acquisition, the Group holds an aggregate of 465,000,000 Listco Shares, representing approximately 7.6% of the total issued share capital of the Listco and the Company would become a substantial shareholder of the Listco under the definition of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). In addition, the Acquisition also helps to average down the Group's investment costs in the Listco Shares such that the Group's investment cost in the Listco becomes approximately HK\$0.279 per Listco Share.

The purchase price of HK\$0.24 per Acquired Share represents: (i) a slight premium of approximately 0.4% over the closing price of HK\$0.239 per Listco Share as quoted on the Stock Exchange on 20 June 2023, being the trading day immediately prior to the date of the Acquisition; (ii) a discount of approximately 1.6% to the average closing price of HK\$0.244 per Listco Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Acquisition; (iii) a discount of 52% to the 52-week high of HK\$0.5 per Listco Share over the last 12 months prior to the Acquisition; and (iv) a discount of approximately 72.2% to the audited net assets value per Listco Share of approximately HK\$0.864 as at 31 December 2022.

As the Acquisition was made on the open market at the prevailing market price of the Listco Shares, the Board* is of the view that the terms of the Acquisition are fair and reasonable, on normal commercial terms.

Having taken into consideration the aforesaid, the Board is in the opinion that the Acquisition is in the best interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Acquired Share(s)”	a total of 410,000,000 Listco Shares acquired by the Group on the open market on 21 June 2023
“Acquirer”	Nation Cheer Investment Limited, a company incorporated in the Republic of the Marshall Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Acquisition”	the acquisition by the Group of the Acquired Shares on the open market at an aggregate cash consideration of HK\$98.4 million (exclusive of transaction costs) on 21 June 2023
“Board”	board of Directors
“Company”	Blue River Holdings Limited (stock code: 498), an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	the third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with any of the connected persons of the Company or any of their respective associates (as defined in the Listing Rules)
“Listco”	Oshidori International Holdings Limited (stock code: 622), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“Listco Share(s)”	share(s) of par value of HK\$0.05 each in the issued share capital of Listco
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“PRC”	the People’s Republic of China
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

* *As (i) Mr. Sam Hing Cheong (“Mr. Sam”), being an executive Director and vice chairman of the Company, is also a non-executive director of the Listco; and (ii) both of Mr. Lam John Cheung-wah (“Mr. Lam”) and Mr. Yu Chung Leung (“Mr. Yu”), being the independent non-executive Directors, are also the independent non-executive directors of the Listco, Mr. Sam, Mr. Lam and Mr. Yu have abstained from voting on the Board meeting for considering, reviewing, approving and ratifying the Acquisition.*

By Order of the Board

Blue River Holdings Limited

HO Sze Nga

Company Secretary

Hong Kong, 21 June 2023

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Benny KWONG (*Chairman*)

AU Wai June

Marc TSCHIRNER

SAM Hing Cheong

Independent Non-Executive Directors:

William GILES

YU Chung Leung

LAM John Cheung-wah