Blue River Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 498)

MAJOR TRANSACTION
IN RELATION TO THE SUBSCRIPTION OF SHARES
IN THE INVESTEE COMPANY

The Subscription

The Board announces that on 13 March 2025, the Subscriber, an indirect non-wholly owned subsidiary of the Company, participated in the HCL Rights Issue conducted by HCL, pursuant to which the Subscriber subscribed 246 rights shares of HCL on a pro-rata basis of one rights share for every two shares held, at an aggregate subscription price of HK$69,372,000. The Consideration for the Subscription of HK$69,372,000 was settled in cash by the Subscriber.

Upon Completion, the Subscriber held 739 shares of HCL, maintaining the Group's proportionate shareholding, i.e. the Company's shareholding percentage in HCL before and after the Completion being the same, at approximately 34.7% of the enlarged share capital of HCL. HCL remained classified as an investment in an associate and was accounted for using the equity method.

Listing Rules Implications

As one or more applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Subscription exceeds 25% but are all less than 100%, the Subscription constitutes a major transaction of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

At the time of the Subscription, the Company had obtained independent legal advice and was of the view that the Subscription did not constitute a notifiable transaction under Chapter 14 of the Listing Rules, taking into account, among other factors, that the Company was participating in the HCL Rights Issue in its capacity as an existing shareholder for the purpose of maintaining its proportionate shareholding interest in HCL.

Following subsequent communication with the Stock Exchange, the Company recognizes that the Subscription constitutes a major transaction under Chapter 14 of the Listing Rules. Accordingly, this announcement is therefore made to provide shareholders and the public with details of the Subscription in compliance with the applicable requirements of the Listing Rules.

SUBSCRIPTION OF SHARES IN THE INVESTEE COMPANY

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Upon Completion, the Subscriber held 739 shares of HCL, maintaining the Group's proportionate shareholding i.e. the Company's shareholding percentage in HCL before and after the Completion being the same, at approximately 34.7% of the enlarged share capital of HCL. HCL remained classified as an investment in an associate and was accounted for using the equity method.

The HCL Rights Issue

Date

13 March 2025

Parties

(1) the Subscriber; and

(2) HCL.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of the Subscription, the Subscriber held approximately 34.7% shareholding in HCL. HCL is a third party independent of the Company and its Connected Person(s) as defined in the Listing Rules.

The Subscription

Pursuant to the HCL Rights Issue Documents, HCL proposed a rights issue for all of its shareholders on the pro-rata basis of one rights share for every two shares held on the Record Date. The Subscriber accepted the provisional offer to subscribe 246 rights shares of HCL at an aggregate subscription price of HK$69,372,000, thereby maintaining its proportionate shareholding, i.e. the Company's shareholding percentage before and after the Completion being the same, in HCL at approximately 34.7% of the enlarged share capital of HCL, and did not apply for any excess shares.

Consideration

The Consideration of HK$69,372,000 was predetermined by HCL based on the subscription price of HK$282,000 per rights share. The subscription price per rights share was determined by HCL with reference to the net asset value per share of HCL at approximately HK$337,000 as at 31 December 2024. The Subscriber paid the Consideration in cash to HCL upon acceptance of provisional shares allotment.

Completion

The HCL Rights Issue was completed on 17 March 2025.

INFORMATION OF HCL GROUP

HCL is a company incorporated in the BVI with limited liability. The principal activity of HCL is investment holding. Hope Securities Limited, a wholly owned subsidiary of HCL, is licensed to carry out regulated activities in Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 9 (asset management) under the SFO.

The following was the unaudited consolidated financial information of HCL for the years ended 31 March 2023 and 31 March 2024, and for nine months ended 31 December 2024 respectively:

	For the nine months ended 31 December 2024 *(unaudited)* *HK$'000*	**For the year ended 31 March 2024** *(unaudited)* *HK$'000*	**For the year ended 31 March 2023** *(unaudited)* *HK$'000*
Profit/(Loss) before tax	(80,484)	(280,818)	16,366
Profit/(Loss) after tax	(80,484)	(280,818)	17,185

Based on the then unaudited financial information of HCL, as disclosed in the HCL Rights Issue Documents, the consolidated net asset value of HCL as at 31 December 2024 was approximately HK$479 million.

As at the date of the Subscription, the Group held approximately 34.7% of HCL. Upon Completion, the Company's proportionate shareholding in HCL remained unchanged at approximately 34.7%, classified as an investment in an associate and was accounted for using the equity method. HCL did not have any controlling shareholders and none of its shareholders held more than 35% of its issued share capital at the material time. Oshidori and Imagi, through its wholly owned subsidiaries, held 33.8% and 25.35% of HCL respectively and there were two other minority shareholders each holding less than 5% of HCL as at the date of the Subscription. All the abovementioned shareholders of HCL were third parties independent of the Company as at the date of the Subscription.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The Company, incorporated in Bermuda with limited liability, is an investment holding entity. The Group is principally engaged in, among others, gas distribution, logistics and energy-related businesses in the PRC, as well as property investment, securities trading and investment, and provision of financing related services.

Investing in HCL represents a strategic initiative aimed at enhancing the Group's participation in the integrated financial services sectors, particularly the licensed securities brokerage and margin financing business through equity investments to share knowledge, expertise and network in the field with industry partners.

The Subscriber's participation in the Subscription was crucial to maintain its percentage shareholding in HCL and to prevent dilution of ownership. The HCL Rights Issue was fully subscribed by all its shareholders. The subscription money received by HCL from its shareholders in the HCL Rights Issue could strengthen HCL's capital base and allow HCL to capture more business opportunities (including acquisition of assets or equities if good opportunities arise). The Subscriber, as one of its significant shareholders, benefited from the capital growth of HCL and the enhancement in its financial positions.

The Group's investment in HCL was made in alignment with the Group's continuous efforts to explore business opportunities in the financial service business with a prudent credit strategy and capitalise on the expertise and competitive strength of other sophisticated industry participants through partnerships with a view to contribute a stable and favorable income stream to the Group. The Company was of the view that participation in the HCL Rights Issue would provide the Company with protection from dilution of its shareholding in HCL and would allow the Company to enjoy direct economic benefits from the turnaround in HCL business. In light of the above, the Directors are of the view that the Subscription are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

SOURCE OF FUNDING

The Consideration for the Subscription was financed by working capital of the Company.

LISTING RULES IMPLICATIONS

As one or more applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Subscription exceeds 25% but are all less than 100%, the Subscription constitutes a major transaction of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

At the time of the Subscription, the Company had obtained, and the Board had reviewed, the independent legal advice and was of the view that the Subscription did not constitute a notifiable transaction under Chapter 14 of the Listing Rules, taking into account, among other factors, that the Company was participating in the HCL Rights Issue in its capacity as an existing shareholder for the purpose of maintaining its proportionate shareholding interest in HCL.

Following subsequent communication with the Stock Exchange, the Company recognizes that the Subscription constitutes a major transaction under Chapter 14 of the Listing Rules. Accordingly, this announcement is therefore made to provide shareholders and the public with details of the Subscription in compliance with the applicable requirements of the Listing Rules.

The Company acknowledges the importance of strict compliance with the Listing Rules and remains fully committed to maintaining high standards and strict compliance of corporate governance.

In light of the time that has elapsed since the Subscription and the fact that it has already been completed, the Company considers that convening a general meeting at this stage would not serve a practical purpose and accordingly does not propose to convene a general meeting in respect of the Subscription. For the reasons stated above, the Directors were of the view that the terms of the Subscription were fair and reasonable and the Subscription was on normal commercial terms as well as in the ordinary and usual course of business of the Company and in the interest of the Company and the Shareholders as a whole. No Directors have any material interest in the Subscription and they were not required to abstain from voting on the resolutions of the Board approving the transactions thereunder.

To enhance compliance, the Company will (i) consider seeking prior consultation with regulators where appropriate; (ii) continue to obtain independent professional advice as and when appropriate; and (iii) arrange external training for Directors on Chapter 14 of the Listing Rules requirements within six months.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Board"	the board of Directors
"BVI"	the British Virgin Islands
"Company"	Blue River Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 0498.HK)
"Completion"	completion of the Subscription pursuant to the HCL Rights Issue Documents
"Connected Person(s)"	has the meaning as ascribed thereto under the Listing Rules
"Consideration"	the consideration for the Subscription, being HK$69,372,000
"Director(s)"	the director(s) of the Company
"EAF"	the form of application to the shareholders of HCL at the Record Date for applying the excess rights shares under the HCL Rights Issue
"Group"	the Company and its subsidiaries
"HCL" or "Investee Company"	Hope Capital Limited (currently known as Zaotos Capital Limited), a company incorporated in the BVI with limited liability
"HCL Rights Issue"	the rights issue conducted by HCL on the basis of one (1) rights share for every two (2) shares held on the Record Date at a subscription price of HK$282,000 per rights share
"HCL Rights Issue Documents"	the information package issued by HCL relating to the HCL Rights Issue, the PAL and the EAF

"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Imagi"	Imagi International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0585.HK)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Oshidori"	Oshidori International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0622.HK)
"PAL"	the provisional allotment letter to the Subscriber in connection with the HCL Rights Issue
"Record Date"	Friday, 14 February 2025, being the date for determination of the entitlements under the HCL Rights Issue
"PRC"	the People's Republic of China
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	share(s) of par value of HK$0.1 each in the issued share capital of the Company
"Shareholder(s)"	the holder of the share(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber"	Blue River Investments Limited, a company incorporated in the Marshall Islands with limited liability, an indirect non-wholly owned subsidiary of the Company
"Subscription"	the subscription of provisional rights shares allotted to the Subscriber pursuant to the HCL Rights Issue Documents

"subsidiary(ies)"	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"%"	per cent

CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 7 May 2026 and will remain suspended pending fulfilment of the resumption guidance.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By Order of the Board

Blue River Holdings Limited

Benny KWONG

Chairman and Managing Director

Hong Kong, 4 August 2026

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

Executive Directors:	*Independent Non-Executive Directors:*
Benny KWONG	YU Chung Leung
(Chairman and Managing Director)	LAM John Cheung-wah
AU Wai June	LIU Jianyi