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Blue River Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 498)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

The board of directors (the “**Board**”) of Blue River Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2024.

RESULTS
CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 September 2024

		Unaudited	
		Six months ended	
		30 September	
		2024	2023
	<i>Notes</i>	HK\$'000	HK\$'000
Revenue			
Sales and services income	3	21,247	29,672
Interest income	3	612	8,638
Rental income	3	900	900
		22,759	39,210
Cost of sales		(16,306)	(22,469)
Gross profit		6,453	16,741
Other income	5	116	50
Administrative expenses		(23,504)	(54,581)
Distribution and selling expenses		(4,070)	(7,961)
Other gains and losses	6	(16,771)	(9,980)
Impairment loss (recognised) reversed on financial assets	7	(2,897)	24,399
Finance costs	8	(961)	(4,637)
Fair value changes of investment properties		(4,800)	(7,800)
Share of results of associates		(76,305)	(35,977)
Share of results of a joint venture		122	(1,911)
Loss before taxation	9	(122,617)	(81,657)
Taxation	10	3	(122)
Loss for the period		(122,614)	(81,779)

RESULTS
CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 September 2024

	Unaudited	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Loss for the period attributable to:		
Owners of the Company	(122,612)	(81,797)
Non-controlling interests	<u>(2)</u>	<u>18</u>
	<u>(122,614)</u>	<u>(81,779)</u>
	<i>Notes</i>	
	HK cents	<i>HK cents</i>
Loss per share	<i>11</i>	
Basic and diluted	<u>(11.8)</u>	<u>(7.9)</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 September 2024

	Unaudited	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Loss for the period	<u>(122,614)</u>	<u>(81,779)</u>
Other comprehensive (expense) income		
<i>Items that will not be reclassified to profit or loss</i>		
Change in fair value of financial assets measured at fair value through other comprehensive income ("FVOCI")	(29,233)	(20,231)
Share of other comprehensive (expense) income of associates	(32,066)	3,264
<i>Items that may be subsequently reclassified to profit or loss</i>		
Exchange differences arising from translation of foreign operations	<u>838</u>	<u>(3,043)</u>
Other comprehensive expense for the period	<u>(60,461)</u>	<u>(20,010)</u>
Total comprehensive expense for the period	<u>(183,075)</u>	<u>(101,789)</u>
Total comprehensive (expense) income for the period attributable to:		
Owners of the Company	(183,073)	(101,807)
Non-controlling interests	<u>(2)</u>	<u>18</u>
	<u>(183,075)</u>	<u>(101,789)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 September 2024

	<i>Notes</i>	Unaudited 30.9.2024 HK\$'000	Audited 31.3.2024 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		17,461	18,491
Right-of-use assets		7,299	6,841
Investment properties		48,700	53,500
Intangible assets		1,064	1,058
Interests in associates		545,861	677,586
Interest in a joint venture		122	11,500
Financial assets measured at FVOCI		<u>126,566</u>	<u>164,067</u>
		<u>747,073</u>	<u>933,043</u>
CURRENT ASSETS			
Inventories of finished goods		87	87
Loan receivables	13	18,353	3,193
Amounts due from former subsidiaries in liquidation		—	1,303
Trade and other receivables	14	22,842	18,315
Short-term bank deposits		—	8,621
Bank balances and cash		<u>4,225</u>	<u>11,500</u>
		<u>45,507</u>	<u>43,019</u>
CURRENT LIABILITIES			
Trade and other payables	15	15,440	15,059
Contract liabilities		18	13
Lease liabilities		4,937	5,231
Amount due to a non-controlling shareholder		8,891	8,891
Amount due to a joint venture		—	180
Bank and other borrowings		<u>17,878</u>	<u>15,133</u>
		<u>47,164</u>	<u>44,507</u>
NET CURRENT LIABILITIES		<u>(1,657)</u>	<u>(1,488)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>745,416</u>	<u>931,555</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 September 2024

	Unaudited	Audited
	30.9.2024	31.3.2024
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT LIABILITIES		
Bank and other borrowings	186	844
Lease liabilities	1,790	4,198
Deferred tax liabilities	215	213
	<u>2,191</u>	<u>5,255</u>
NET ASSETS	<u>743,225</u>	<u>926,300</u>
CAPITAL AND RESERVES		
Share capital	104,095	104,095
Reserves	646,161	829,234
Equity attributable to owners of the Company	750,256	933,329
Non-controlling interests	<u>(7,031)</u>	<u>(7,029)</u>
TOTAL EQUITY	<u>743,225</u>	<u>926,300</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Blue River Holdings Limited (the “**Company**”) is an exempted company incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company.

The Company and its subsidiaries (together the “**Group**”) is principally engaged in, *inter alia*, the businesses of gas distribution and logistics in the People’s Republic of China (the “**PRC**”), property investment, securities trading and investment, and provision of financing related services.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 March 2024.

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties and financial assets measured at fair value through other comprehensive income, which are measured at fair value.

As at 30 September 2024, the Group’s current liabilities exceeded its current assets by HK\$1,657,000. The directors of the Company have a reasonable expectation that the Group has sufficient working capital, including the available credit facilities, to continue in operational existence for the foreseeable future. Accordingly, these condensed consolidated financial statements have been prepared on a going concern basis.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES — CONTINUED

The accounting policies adopted in the condensed consolidated financial statements for the six months ended 30 September 2024 are the same as those adopted in the Group's annual financial statements for the year ended 31 March 2024 except for the application of the following new and amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2024:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1 Amendments to HKFRS16	Non-current Liabilities with Covenants Lease Liability in Sale and Leaseback
Amendments to HKAS7 and HKFRS7	Supplier Finance Arrangements
HK Interpretation 5 (Revised)	Presentation of Financial statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

Revenue is analysed as follows:

	Unaudited	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Sales and services income:		
Sale of CNG products	21,247	28,519
Income from port related services	<u>—</u>	<u>1,153</u>
	<u>21,247</u>	<u>29,672</u>
Interest income:		
Interest income from loan receivables	<u>612</u>	<u>8,638</u>
Rental income:		
Rental income from investment properties	<u>900</u>	<u>900</u>
	<u>22,759</u>	<u>39,210</u>

Revenue from contracts with customers includes (i) income from port related services that are recognised over time and (ii) revenue from sale of compressed natural gas (the “**CNG**”) products that are recognised at a point in time.

4. SEGMENT INFORMATION

The operating segments of the Group are determined based on information reported to executive directors, the Group's chief operating decision makers, for the purposes of resources allocation and performance assessment. The information focuses more specifically on the strategic operation and development of each business unit and its performance is evaluated through organising business units with similar economic characteristics into an operating segment.

In assessing the performance of the operating segments, certain non-operating items which were not directly related to the segment's operating performance would not be taken into account. Accordingly, (i) corporate and other expenses (including impairment loss on right-of-use assets) which are not directly related to the performance of the operating segments; (ii) net exchange gain/loss which are mainly arising from intra-company loans; (iii) impairment allowance reversed on amounts due from the former subsidiaries in liquidation; and (iv) finance costs driven by the Group's financing decisions were adjusted out from the loss before taxation in arriving at the segment results.

The Group's operating and reportable segments for the current period are as follows:

Ports and logistics	—	CNG distribution and logistics businesses in the PRC
Property	—	Investment and leasing of real estate properties
Securities	—	Investment and trading of securities
Financial services	—	Provision of loan financing, financial related services and cash management

4. SEGMENT INFORMATION — CONTINUED

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

For the six months ended 30 September 2024 (Unaudited)

	Ports and logistics HK\$'000	Property HK\$'000	Securities HK\$'000	Financial services HK\$'000	Segment total and consolidated HK\$'000
Revenue	<u>21,247</u>	<u>900</u>	<u>—</u>	<u>612</u>	<u>22,759</u>
Segment results	<u>(1,929)</u>	<u>(10,597)</u>	<u>(10)</u>	<u>(87,753)</u>	(100,289)
Corporate and other expenses					(17,921)
Impairment loss on right- of-use assets					(3,369)
Net exchange loss					(77)
Finance costs					<u>(961)</u>
Loss before taxation					(122,617)
Taxation					<u>3</u>
Loss for the period					<u>(122,614)</u>

4. SEGMENT INFORMATION — CONTINUED

Segment revenue and results — Continued

For the six months ended 30 September 2023 (Unaudited)

	Ports and logistics <i>HK\$'000</i>	Property <i>HK\$'000</i>	Securities <i>HK\$'000</i>	Financial services <i>HK\$'000</i>	Segment total and consolidated <i>HK\$'000</i>
Revenue	<u>29,672</u>	<u>900</u>	<u>—</u>	<u>8,638</u>	<u>39,210</u>
Segment results	<u>(5,563)</u>	<u>(13,184)</u>	<u>(10)</u>	<u>(21,230)</u>	(39,987)
Corporate and other expenses					(51,373)
Impairment loss on right- of-use assets					(8,000)
Net exchange loss					(2,059)
Finance costs					(4,637)
Impairment loss reversed on amounts due from former subsidiaries in liquidation					<u>24,399</u>
Loss before taxation					(81,657)
Taxation					<u>(122)</u>
Loss for the period					<u>(81,779)</u>

4. SEGMENT INFORMATION — CONTINUED

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

At 30 September 2024 (Unaudited)

	Ports and logistics HK\$'000	Property HK\$'000	Securities HK\$'000	Financial services HK\$'000	Segment total and consolidated HK\$'000
ASSETS					
Segment assets	43,791	62,445	91,543	583,997	781,776
Unallocated assets*					<u>10,804</u>
Consolidated total assets					<u><u>792,580</u></u>
LIABILITIES					
Segment liabilities	7,039	10,050	1,001	10	18,100
Unallocated liabilities*					<u>31,255</u>
Consolidated total liabilities					<u><u>49,355</u></u>

At 31 March 2024 (Audited)

	Ports and logistics HK\$'000	Property HK\$'000	Securities HK\$'000	Financial services HK\$'000	Segment total and consolidated HK\$'000
ASSETS					
Segment assets	47,843	73,981	131,285	692,847	945,956
Unallocated assets*					<u>30,106</u>
Consolidated total assets					<u><u>976,062</u></u>
LIABILITIES					
Segment liabilities	6,557	10,146	—	34	16,737
Unallocated liabilities*					<u>33,025</u>
Consolidated total liabilities					<u><u>49,762</u></u>

* Unallocated assets include cash and bank balances of approximately HK\$1,251,000 (31.3.2024: HK\$6,959,000) and amounts due from former subsidiaries in liquidation of nil (31.3.2024: HK\$1,303,000), while the unallocated liabilities include bank and other borrowings of approximately HK\$17,063,000 (31.3.2024: HK\$15,977,000).

4. SEGMENT INFORMATION — CONTINUED

Segment assets and liabilities — Continued

Segment assets and liabilities comprise assets and liabilities of the operating subsidiaries, as well as certain interests in associates and investments in equity instruments that are engaged in relevant segmental businesses. Accordingly, segment assets exclude corporate assets which are mainly certain bank balances and cash, interest in a joint venture, right-of-use assets and other receivables, and segment liabilities exclude corporate liabilities which are mainly certain bank and other borrowings, other payables and lease liabilities.

For the purpose of resources allocation and assessment of segment performance, deferred tax liabilities are allocated to segment liabilities but the related deferred tax credit/charge are not reported to the executive directors of the Company as part of segment results.

5. OTHER INCOME

	Unaudited	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Bank and other interest income	<u>116</u>	<u>50</u>

6. OTHER GAINS AND LOSSES

	Unaudited	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Net exchange loss	(77)	(2,059)
Impairment loss on right-of-use assets	(3,369)	(8,000)
Recovery of bad debts written off in previous years	1,337	—
Gain on termination of lease contracts	3,666	—
Loss on partial disposal of an associate	(303)	—
Loss on deemed acquisition of additional interest in an associate	(18,051)	—
Gain on disposal of property, plant and equipment	<u>26</u>	<u>79</u>
	<u>(16,771)</u>	<u>(9,980)</u>

7. IMPAIRMENT LOSS (RECOGNISED) REVERSED ON FINANCIAL ASSETS

	Unaudited	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Impairment loss recognised on loan receivables	(2,897)	—
Impairment loss reversed on amounts due from former subsidiaries in liquidation	<u>—</u>	<u>24,399</u>
	<u>(2,897)</u>	<u>24,399</u>

8. FINANCE COSTS

	Unaudited	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Interest on other borrowings	743	4,103
Imputed interest expense on lease liabilities	<u>218</u>	<u>534</u>
	<u>961</u>	<u>4,637</u>

9. LOSS BEFORE TAXATION

	Unaudited	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Loss before taxation has been arrived at after charging:		
Amortisation of intangible assets	22	22
Cost of inventories recognised as an expense	16,306	22,469
Depreciation of property, plant and equipment	1,709	3,982
Depreciation of right-of-use assets	<u>1,584</u>	<u>7,434</u>

10. TAXATION

Unaudited
Six months ended
30 September
2024 **2023**
HK\$'000 **HK\$'000**

Taxation comprises tax (credit) charge below:

Taxation arising in the PRC

Current period	3	127
Deferred taxation	<u>(6)</u>	<u>(5)</u>
	<u>(3)</u>	<u>122</u>

11. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company for the period is based on the following data:

Unaudited
Six months ended
30 September
2024 **2023**
HK\$'000 **HK\$'000**

Loss for the period attributable to owners of
the Company for the purpose of calculating
basic and diluted loss per share

<u>(122,612)</u>	<u>(81,797)</u>
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11. LOSS PER SHARE — CONTINUED

	Unaudited	
	Six months ended	
	30 September	
	2024	2023
	Number of	Number of
	shares	shares
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	<u>1,040,946,114</u>	<u>1,040,946,114</u>

Diluted loss per share is equal to the basic loss per share as the Company does not have any dilutive potential ordinary shares outstanding during both periods.

12. DISTRIBUTION

No dividend was recognised as distribution during both periods. The board of directors of the Company has resolved not to declare any dividend for the six months ended 30 September 2024 (2023: Nil).

13. LOAN RECEIVABLES

	Unaudited	Audited
	30.9.2024	31.3.2024
	HK\$'000	HK\$'000
Loan and interest receivables	21,359	3,233
Less: Impairment allowance	<u>(3,006)</u>	<u>(40)</u>
	<u>18,353</u>	<u>3,193</u>

		Unaudited		Audited	
		30.9.2024		31.3.2024	
		Gross	Allowance	Gross	Allowance
		amount	for ECL	amount	for ECL
	<i>Note</i>	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Borrower 1	<i>(a)</i>	16,812	112	—	—
Borrower 2	<i>(b)</i>	<u>4,547</u>	<u>2,894</u>	<u>3,233</u>	<u>40</u>
		<u>21,359</u>	<u>3,006</u>	<u>3,233</u>	<u>40</u>

13. LOAN RECEIVABLES — CONTINUED

Notes:

- (a) The amount represents loan receivable of HK\$16,400,000 and interest receivable from the Borrower 1 which is unsecured and bears fixed rate interest at 7.5% per annum and repayable on 5 December 2024. The Borrower 1 is a money lender in Hong Kong. The loan is classified as a performing loan and 12 months ECL is provided as at 30 September 2024.
- (b) The loans receivable from Borrower 2 is due by a former subsidiary which is principally engaged in operations of ports and logistics business. The amounts represent a loan with principal amount of RMB3,000,000 (equivalent to approximately HK\$3,341,000) (31.3.2024: equivalent to approximately HK\$3,233,000) and another loan with principal amount of RMB1,000,000 (equivalent to HK\$1,114,000) (31.3.2024: Nil) and interest receivables as at 30 September 2024. The loans are unsecured and bear fixed rate interest at 3.45% per annum. The loans have been overdue since 28 July 2024. The loans have been classified as non-performing and credit-impaired and lifetime ECL as at 30 September 2024 (31.3.2024: performing and 12 months ECL).

14. TRADE AND OTHER RECEIVABLES

	Unaudited 30.9.2024 HK\$'000	Audited 31.3.2024 HK\$'000
Trade receivables	13,302	6,241
Less: Impairment allowance	<u>—</u>	<u>—</u>
	13,302	6,241
Other debtors	1,984	4,018
Rental and other deposits	1,401	1,852
Prepayments	2,060	2,660
Advances to suppliers	<u>4,095</u>	<u>3,544</u>
	<u>22,842</u>	<u>18,315</u>

14. TRADE AND OTHER RECEIVABLES — CONTINUED

Trade receivables mainly arise from ports and logistics business. The Group's credit terms for customers are normally 60 days, which are negotiated at terms determined and agreed with its customers. The Group did not hold any collateral over the balances.

The ageing analysis of the trade receivables, presented based on the invoice date at the end of the reporting period is as follows:

	Unaudited 30.9.2024 HK\$'000	Audited 31.3.2024 HK\$'000
Within 90 days	8,025	6,241
More than 90 days and within 180 days	<u>5,277</u>	<u>—</u>
	<u>13,302</u>	<u>6,241</u>

15. TRADE AND OTHER PAYABLES

	Unaudited 30.9.2024 HK\$'000	Audited 31.3.2024 HK\$'000
Trade payables	3,316	2,908
Other creditors	9,342	7,990
Accruals	2,565	3,937
Other tax payables	<u>217</u>	<u>224</u>
	<u>15,440</u>	<u>15,059</u>

The average credit period on the trade creditors is 30 days. The Group has financial risk management policies in place to ensure the trade payables are within the credit time frame. All trade payables were aged within 90 days based on the invoice date.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 September 2024 (the “**Period**”) (2023: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF FINANCIAL PERFORMANCE AND POSITION

The Group recorded a consolidated revenue of approximately HK\$23 million (2023: HK\$39 million) and gross profit of approximately HK\$6 million (2023: HK\$17 million) for the Period. During the Period, the Group recorded a loss before taxation of approximately HK\$123 million (2023: HK\$82 million), which was composed of:

- (i) net loss of approximately HK\$2 million (2023: HK\$6 million) in ports and logistics segment;
- (ii) net loss of approximately HK\$11 million (2023: HK\$13 million) in property segment;
- (iii) net loss of approximately HK\$0.01 million (2023: HK\$0.01 million) in securities segment;
- (iv) net loss of approximately HK\$88 million (2023: HK\$21 million) in financial services segment;
- (v) net corporate and other expenses (including the impairment loss on right-of-use assets) of approximately HK\$21 million (2023: HK\$59 million);
- (vi) net exchange loss of approximately HK\$0.08 million (2023: HK\$2 million);
- (vii) finance costs of approximately HK\$1 million (2023: HK\$5 million); and
- (viii) reversal of impairment loss on amounts due from former subsidiaries in liquidation of approximately HK\$24 million for the six months ended 30 September 2023 (2024: Nil).

After taking into account the tax credit of approximately HK\$0.003 million (2023: tax charge of HK\$0.1 million), the Group recorded a loss for the Period of approximately HK\$123 million (2023: HK\$82 million).

Net loss for the Period attributable to the owners of the Company was approximately HK\$123 million (2023: HK\$82 million) and basic loss per share was approximately HK11.8 cents (2023: HK7.9 cents).

The increase in net loss for the Period was mainly attributable to the net effect of (a) increase in share of losses of associates from approximately HK\$36 million for last period to approximately HK\$76 million for the Period; (b) decrease in administrative expenses from approximately HK\$55 million for last period to approximately HK\$24 million for the Period; and (c) absence of reversal of impairment loss on amounts due from former subsidiaries in liquidation for the Period, as compared with approximately HK\$24 million reversal of impairment loss for last period.

When compared with the Group's financial position as at 31 March 2024, total assets decreased by 18.8% to approximately HK\$793 million (31.3.2024: HK\$976 million), which was mainly attributable to the decrease in the carrying amount of interests in associates by approximately of HK\$132 million and decrease in fair value of financial assets measured at fair value through other comprehensive income by approximately HK\$38 million. As at 30 September 2024, net current liabilities amounted to approximately HK\$2 million (31.3.2024: HK\$1 million), whereas current ratio deriving from the ratio of current assets to current liabilities decreased slightly to 0.96 times (31.3.2024: 0.97 times). After taking into account (a) the net loss of approximately HK\$123 million; (b) the decrease in carrying amount of financial assets measured at fair value through other comprehensive income of approximately HK\$29 million recognised in the investment revaluation reserve; (c) share of other comprehensive expense of associates of approximately HK\$32 million; and (d) the Renminbi exchange gain of approximately HK\$1 million arising from translation of foreign operations, equity attributable to owners of the Company decreased by 20% to approximately HK\$750 million (31.3.2024: HK\$933 million), representing HK\$0.72 (31.3.2024: HK\$0.9) per share as at 30 September 2024.

REVIEW OF OPERATIONS AND BUSINESS DEVELOPMENT

Ports and Logistics

During the Period, the compressed natural gas (the “**CNG**”) distribution and logistics businesses of Minsheng Natural Gas in Wuhan, the People's Republic of China (the “**PRC**”) recorded a segment loss of approximately HK\$2 million (2023: HK\$6 million). Currently, Minsheng Natural Gas owns and operates four CNG automotive fueling stations in Wuhan City. Influenced adversely by the bolstered promotion of electric-powered vehicles by the Wuhan Municipal People's Government and the popularisation of electric-powered vehicles in Wuhan City, the sales of CNG decreased by 24% to approximately 5.15 million m³ (2023: 6.8 million m³) when compared with the last period. As at 30 September 2024, loan receivables with the principal amount of RMB4,000,000 were outstanding and an interest income of approximately RMB61,000 was

derived from these loan receivables during the Period, particulars of which were set out in Note 13 of the “Notes to the Condensed Consolidated Financial Statements”.

The expediting deployment of new energy vehicles in both public and private transportation sectors by the Wuhan Government casts a bleak outlook on the CNG distribution business of Minsheng Natural Gas. The Group shall continue its operation of the CNG distribution and logistics businesses through Minsheng Natural Gas in Wuhan City primarily for fulfillment of its obligation of fueling service to the local public buses. Given Minsheng Natural Gas has been loss-making under the bleak outlook on the CNG distribution business, the Group is assessing its options on this business based on its development potential.

Property

As at 30 September 2024, the Group owns certain office premises and car parking spaces in Hong Kong through direct investment and investment in associates. Subsequent to the Period, the Company’s entering into a conditional sale and purchase agreement for the disposal of the 9th Floor of E-Trade Plaza and three carparks in November 2024, details of which were set out in the section headed “Events After The Reporting Period” below, the Group remains cautious in the property market downturn and is repositioning its focus in the property segment so as to weather any headwinds ahead as well as capturing opportunities from recent relaxation of the rules regulating the property market by the government and economic recovery in the foreseeable future.

The property business recorded a segment loss of approximately HK\$11 million (2023: HK\$13 million) for the Period which was mainly composed of the loss on fair value changes of investment properties in Hong Kong of approximately HK\$5 million (2023: HK\$8 million) and share of the associate’s loss of HK\$6 million (2023: HK\$6 million), as affected by the interest rate fluctuation and uncertainties, sluggish economy as well as the weak demand for office premise in Hong Kong.

Securities

The securities segment recorded a segment loss of approximately HK\$0.01 million (2023: HK\$0.01 million). As at 30 September 2024, the Group’s investments in listed equity instruments not held for trading amounted to approximately HK\$92 million (31.3.2024: HK\$129 million). The decrease in fair value of approximately HK\$29 million (2023: HK\$1 million) for the Period was recognised in other comprehensive expense.

The Group has adopted a cautious and disciplined approach in managing the Group's securities portfolio and will continue to monitor its securities portfolio and look for investment opportunities with a view to achieving growth in portfolio value in future.

Financial services

The financial services business recorded a segment loss of approximately HK\$88 million (2023: HK\$21 million) for the Period, which was mainly attributable to the share of loss of its investee associates of approximately HK\$70 million (2023: HK\$30 million) during the Period.

The Group adopted a cautious approach in managing its direct loan financing business aiming to gradually build up a creditworthy clientele base. As at 30 September 2024, a loan receivable under the loan financing business with a principal amount of HK\$16.4 million was outstanding (31.3.2024: Nil) and an interest income of approximately HK\$0.6 million was derived from the loan receivable during the Period, particulars of which were set out in Note 13 of "Notes to the Condensed Consolidated Financial Statements". The direct loan financing business contributed revenue of approximately HK\$0.6 million (2023: HK\$9 million) for the Period.

The Group held one-third of equity interest in Maxlord Enterprises Limited ("**Maxlord**"), a licensed money lender carrying out money lending business in Hong Kong, which is an indirect 66.67% owned subsidiary of Planetree International Development Limited (stock code: 0613.HK). During the Period, the Group shared a loss of approximately HK\$8 million (2023: profit of HK\$2 million) on its investment in Maxlord.

The Group participated in the overseas property asset-based financing business through a 40% owned associate, Golden Thread Investments Limited, which contributed a share of loss of approximately HK\$46 million (2023: profit of HK\$2 million) to the Group for the Period.

The Group participated 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. As at 30 September 2024, through equity investment in Hope Capital Limited, the Group indirectly held 34.72% equity interest in Hope Securities Limited, which is a licensed corporation under the Securities and Futures Ordinance to carry on regulated activities including dealing in and advising on securities and future contracts and asset management. The Group also held 33% equity interest in HEC Securities Company Limited which is engaged in

treasury activities. The equity investments are classified as associates of the Company and the Group shared a loss of approximately HK\$16 million (2023: HK\$34 million) during the Period.

With a view to contribute a stable and favorable income stream to the Group, it will continue 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.

SIGNIFICANT INVESTMENTS

An investment with a carrying value of 5% or more of the total assets of the Group is considered as a significant investment of the Group. As at 30 September 2024, the Group's investment in 465,000,000 ordinary listed shares of Oshidori International Holdings Limited ("**Oshidori**"), represented approximately 7.5% of Oshidori's issued share capital, was measured at fair value of approximately HK\$60 million, which represented approximately 7.6% to the total assets of the Group. Total cost for the investment in Oshidori amounted to approximately HK\$130 million and the cumulative unrealised fair value loss was approximately HK\$70 million.

The Company has subsequently disposed of a total of 159,000,000 Oshidori shares on the open market for an aggregate consideration of HK\$27,030,000 (exclusive of transaction costs) in October 2024 reducing its shareholding in Oshidori to 4.9% as at the date of this announcement. Details of the disposal is set out in the section "Event After The Reporting Period" below.

Oshidori is a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 0622.HK). Oshidori 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. During the Period, no dividend was received from Oshidori and the unrealised fair value loss of the investment in Oshidori of approximately HK\$28 million was charged to the investment revaluation reserve through other comprehensive income.

As extracted from the interim report of Oshidori for the six months ended 30 June 2024, in the first half of 2024, Oshidori recorded an unaudited net loss of HK\$112 million, compared to a net profit of HK\$12 million for the comparative period. As at 30 June 2024, Oshidori had unaudited total assets and net asset

value of HK\$3,356 million and HK\$3,174 million respectively. The liquidity of Oshidori remained strong with a current ratio of 6.6 and a gearing ratio of 1.6%. As at 30 September 2024, the closing price of Oshidori of HK\$0.129 per share represents a discount of approximately 75% to its unaudited net assets value as at 30 June 2024 of HK\$0.51 per share. It is considered that Oshidori is currently significantly undervalued and represents an attractive value stock pick with potential for higher return as a long-term investment.

Saved as disclosed above, the Group did not hold any significant investments in any investee company with a value of above 5% of the Group's total assets as at 30 September 2024.

MATERIAL ACQUISITION AND DISPOSAL

During the period from March to June 2024, the Company, through its wholly-owned subsidiary, disposed of a total of 4,936,000 shares of Bradaverse Education (Int'l) Investments Group Limited (stock code: 1082.HK) (the "**BEIG Share(s)**"), whose shares are listed on the Main Board of the Stock Exchange, in the open market for an aggregate consideration of HK\$7,066,800 (exclusive of transaction costs) (the "**Previous BEIG Disposal**").

On 29 August 2024, the Company, through its wholly-owned subsidiary, disposed of a total of 1,064,000 BEIG Shares on the open market for an aggregate consideration of HK\$1,744,960 (exclusive of transaction costs) (equivalent to an average price of HK\$1.640 per BEIG Share) (the "**BEIG Disposal**").

The Previous BEIG Disposal and BEIG Disposal, which took place within a 12-month period, were aggregated as a single series of transactions pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and constituted a discloseable transaction of the Company, the details of which were set out in the announcement of the Company dated 29 August 2024.

Save as disclosed above, the Group did not have other material acquisition and disposal during the Period.

EVENTS AFTER THE REPORTING PERIOD

On 17 October 2024, the Company, through its wholly-owned subsidiary, disposed of a total of 159,000,000 shares of Oshidori (Stock Code: 622) (the "**Oshidori Shares**"), whose shares are listed on the Main Board of the Stock Exchange, on the open market for an aggregate consideration of HK\$27,030,000 (exclusive of transaction costs) (equivalent to an average price of HK\$0.17 per Oshidori Shares) (the "**Oshidori Disposal**"). The Oshidori

Disposal, which constituted a discloseable transaction of the Company, the details of which were set out in the announcement of the Company dated 17 October 2024.

Subsequent to the Oshidori Disposal, the Group is holding an aggregate of 306,000,000 Oshidori Shares, representing approximately 4.9% of the total issued share capital of the Oshidori.

Golden Lake Property Limited, a wholly-owned subsidiary of the Company, entered into a conditional provisional sale and purchase agreement dated 15 November 2024 (the “**Provisional SPA**”) with Mrs. Lui Ip, King Yee Elsa and the property agent, A Land Property Limited, both of which are an independent third party in respect of the disposal of the whole floor of the 9th Floor, E-Trade Plaza & three carparks (no. 222, 223, 224) on the 2nd floor of E-Trade Plaza, 24 Lee Chung Street, Chai Wan, Hong Kong (the “**E-Trade Property**”) at a consideration of HK\$50 million (the “**E-Trade Disposal**”) pursuant to the terms of the Provisional SPA. The completion of the E-Trade Disposal is conditional upon passing of the relevant resolution by the shareholders of the Company at the special general meeting approving, inter alia, the E-Trade Disposal and the transactions contemplated thereunder (the “**SGM**”) before the completion date. Details of the E-Trade Disposal were set out in the announcement of the Company dated 15 November 2024. A circular containing, among other things, (i) further details of the E-Trade Disposal; (ii) the valuation report of the E-Trade Property; (iii) other information as required to be disclosed under the Listing Rules; and (iv) the notice convening the SGM is expected to be despatched to the shareholders of the Company on or before 31 December 2024.

Save as disclosed above, there were no major subsequent events occurred since the end of the reporting period and up to the date of this announcement.

OUTLOOK

With geopolitical tension and interest rate uncertainties which may dampen business confidence and assets markets, the Board has adopted a cautious and prudent approach in strategic review of the Group’s assets from time to time with a view to maximising returns to the shareholders of the Company. The divestments of inefficient and loss-making investments provide the Group with capital and financial flexibility to seize business opportunities in future to optimise the operational efficiency and investment return to the Group. The Group will explore opportunities to diversify and broaden its business and investment portfolio by investing in businesses with optimistic prospects.

LIQUIDITY AND CAPITAL RESOURCES

As at 30 September 2024, the Group had total assets of HK\$793 million (31.3.2024: HK\$976 million) which were financed by shareholders' funds and credit facilities. A variety of credit facilities were maintained to meet its working capital requirements and committed capital expenditure, which bore interest at market rates and had contracted terms of repayment ranging from on demand to one year. The Group mainly generated revenue and incurred costs in Hong Kong dollar and Renminbi. During the Period, no financial instruments had been used for hedging purpose and no foreign currency net investments are hedged by currency borrowings or other hedging instruments. The Group adopts a prudent funding and treasury policy and manages the fluctuation exposures of exchange rate and interest rate on specific transactions.

As at 30 September 2024, the Group's bank and other borrowings amounted to approximately HK\$18 million (31.3.2024: HK\$16 million) with approximately HK\$18 million (31.3.2024: HK\$15 million) repayable on demand or within one year and approximately HK\$0.2 million (31.3.2024: HK\$1 million) repayable after one year. All the borrowings bore interest at fixed rate of which approximately HK\$1 million (31.3.2024: Nil) is denominated in Hong Kong dollar and approximately HK\$17 million (31.3.2024: HK\$16 million) is denominated in Renminbi. The Group's gearing ratio increased to 0.024 (31.3.2024: 0.017), which was calculated based on the total borrowings of approximately HK\$18 million (31.3.2024: HK\$16 million) and the Group's shareholders' funds of approximately HK\$750 million (31.3.2024: HK\$933 million).

Cash, bank balances and deposits of the Group as at 30 September 2024 amounted to approximately HK\$4 million (31.3.2024: HK\$20 million), of which approximately HK\$1 million (31.3.2024: HK\$6 million) was denominated in Hong Kong dollar and approximately HK\$3 million (31.3.2024: HK\$14 million) was denominated in Renminbi respectively.

CAPITAL STRUCTURE

During the Period, the Group has not conducted any equity fund raising activities. As at 30 September 2024, the total number of issued shares of the Company was 1,040,946,114 shares with a par value of HK\$0.1 each.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATE

The Group's monetary assets, liabilities and transactions are mainly denominated in Hong Kong dollars and Renminbi. The Group is mainly exposed to foreign exchange risk with respect to Renminbi which may affect the Group's performance. The Group regularly reviews the balances of assets and liabilities and the currencies in which the transactions are denominated so as to minimise

the Group's exposure to foreign currency risk. During the Period, no financial instruments had been used for hedging purpose and no foreign currency net investments are hedged by currency borrowings or other hedging instruments.

CONTINGENT LIABILITY

As at 30 September 2024, the Group had no contingent liabilities (31.3.2024: Nil).

PLEDGE OF ASSETS

As at 30 September 2024, the Group's investment in certain listed securities classified as financial assets measured at FVOCI with carrying amount of approximately HK\$88 million (31.3.2024: Nil) were held under a margin securities account as floating charge for the margin loan facilities granted to the Group of which approximately HK\$1,001,000 were utilized and classified as other borrowings.

COMMITMENTS

As at 30 September 2024, the Group had no expenditure contracted for but not provided for in the condensed consolidated financial statements (31.3.2024: Nil).

NUMBER OF EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2024, the Group employed a total of 75 (31.3.2024: 100) full time employees. Remuneration packages consisted of salary as well as performance-based bonus.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

Throughout the six months ended 30 September 2024, the Company has complied with the code provisions in Part 2 of the Corporate Governance Code (the "**CG Code**") set out in Appendix C1 of the Listing Rules, except for the following deviation:

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive (the "**CE**") should be separate and should not be performed by the same individual. Following the resignation of Mr Marc Andreas Tschirner as the managing director of the Company (the "**Managing Director**", equivalent to the CE) with effect from 1 July 2023, Mr Kwong Kai Sing, Benny ("**Mr Kwong**", the chairman of the Board (the "**Chairman**")) was appointed as the Managing

Director and has performed the roles of the Chairman and Managing Director with effect from 1 July 2023. Mr Kwong assumes both roles of the Chairman and the Managing Director and is responsible for overseeing the management and operations of the Group. The senior management of the Group continues to be responsible for the management and administrative functions and day-to-day operations of the Group under the supervision of the Managing Director, who is concurrently the Chairman.

Despite the deviation from the Code Provision C.2.1 of the Corporate Governance Code, Mr Kwong continues to provide solid and continuous leadership to the Group with his extensive experience and knowledge in management and maintain the continuity and efficiency in the management and operation of business of the Group. Moreover, under the supervision of other existing members of the Board, including the independent non-executive Directors, the Board is appropriately structured with balance of power comprising experienced and high caliber individuals with not less than half of the number thereof being independent non-executive Directors to provide sufficient oversight to protect the interests of the Company and the shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”). After having made specific enquiries, all directors of the Company have confirmed their compliance with the required standard set out in the Model Code throughout the six months ended 30 September 2024.

AUDIT COMMITTEE

The Company has an audit committee (the “**Audit Committee**”) which was established in accordance with the requirement of the Listing Rules for the purpose of reviewing and providing supervision over the Group’s financial reporting process and internal controls. The Audit Committee meets regularly with the Company’s senior management and the Company’s auditor to consider the Company’s financial reporting process, the effectiveness of internal control, the audit process and risk management. As at the date of this announcement, the Audit Committee comprises three independent non-executive directors of the Company, namely Mr William Nicholas Giles, Mr Yu Chung Leung and Mr Lam John Cheung-wah.

During the Period, the Audit Committee has reviewed with the management the accounting policies and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters.

REVIEW OF ACCOUNTS

The Audit Committee has reviewed the unaudited condensed consolidated interim financial information of the Company for the Period and has recommended its adoption by the Board.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the Company's website at www.blueriverholdings.com.hk under "Announcements" in the "Investor Relations" section and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk under "Listed Company Information". The 2024/2025 Interim Report will be despatched to shareholders of the Company and be posted on the aforesaid websites in December 2024.

By Order of the Board

Blue River Holdings Limited

Benny KWONG

Chairman

Hong Kong, 29 November 2024

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

Executive Directors:

Benny KWONG

(Chairman and Managing Director)

AU Wai June

Independent Non-Executive Directors:

William GILES

YU Chung Leung

LAM John Cheung-wah