



Du Du Holdings Limited
都都控股有限公司

(formerly known as Silk Road Energy Services Group Limited 絲路能源服務集團有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8250)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This announcement, for which the directors (the “**Directors**”) of Du Du Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM 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: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

INTERIM RESULTS (UNAUDITED)

The board of Directors (the “**Board**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 31 December 2024, together with the comparative unaudited figures for the corresponding periods in 2023 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2024

		Six months ended 31 December	
		2024	2023
		(Unaudited)	(Unaudited)
	Notes	HK\$'000	HK\$'000 (Restated)
Continuing operations			
Revenue	3	2,304,951	2,835,216
Cost of services rendered		<u>(2,289,467)</u>	<u>(2,821,849)</u>
Gross profit		15,484	13,367
Other income	5	808	3,184
Other gain (loss), net		3,256	(5,026)
Administrative and other operating expenses		(14,202)	(9,977)
Impairment loss under expected credit loss (“ECL”) model		(5,308)	–
Finance costs	7	<u>(43)</u>	<u>(117)</u>
Loss before taxation		(5)	1,431
Income tax expense	8	<u>(253)</u>	<u>(1,173)</u>
(Loss) profit for the period from continuing operations	6	<u>(258)</u>	<u>258</u>
Discontinued operation			
Loss for the period from discontinued operation		<u>–</u>	<u>(6,808)</u>
Loss for the period		(258)	(6,550)
Other comprehensive income (expenses) for the period, net of tax			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>113</u>	<u>(1,758)</u>
Total comprehensive income (expense) for the period, net of income tax		<u><u>(145)</u></u>	<u><u>(8,308)</u></u>

	Six months ended	
	31 December	
	2024	2023
	(Unaudited)	(Unaudited)
<i>Notes</i>	HK\$'000	<i>HK\$'000</i>
		(Restated)
(Loss) profit for the period attributable to owners of the Company		
– from continuing operations	981	403
– from discontinuing operation	–	(6,808)
	<u>981</u>	<u>(6,405)</u>
(Loss) profit for the period attributable to non-controlling interests		
– from continuing operations	(1,239)	(145)
– from discontinuing operation	–	–
	<u>(1,239)</u>	<u>(145)</u>
Total comprehensive income (expense) attributable to Owners of the Company	1,071	(8,125)
Non-controlling interests	(1,276)	(183)
	<u>(145)</u>	<u>(8,308)</u>
Total comprehensive income (expense) attributable to owners of the Company		
– from continuing operations	1,071	2,899
– from discontinuing operation	–	(11,024)
	<u>1,071</u>	<u>(8,125)</u>
Earnings (Loss) per share		
	<i>10</i>	
From continuing and discontinued operations		
– Basic and diluted (HK cents per share)	<u>0.27</u>	<u>(1.17)</u>
From continuing operations		
– Basic and diluted (HK cents per share)	<u>0.27</u>	<u>0.11</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024 and 30 June 2024

		As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		11,785	5,635
Right-of-use assets		1,661	1,625
Deferred tax assets		5,618	5,618
		<u>19,064</u>	<u>12,878</u>
Current assets			
Inventories		20,834	11,885
Trade, bills and other receivables	11	208,573	198,157
Loan and interest receivables	12	29,060	31,021
Financial assets at fair value through profit or loss (“FVTPL”)		30,400	27,033
Cash and cash equivalents		59,361	81,762
		<u>348,228</u>	<u>349,858</u>
Current liabilities			
Trade, bills and other payables	13	21,300	18,146
Lease liabilities		769	1,526
Income tax payables		6,421	6,437
		<u>28,490</u>	<u>26,109</u>
Net current assets		<u>319,738</u>	<u>323,749</u>
Total assets less current liabilities		<u>338,802</u>	<u>336,627</u>
Non-current liabilities			
Lease liabilities		33	195
Net assets		<u><u>338,769</u></u>	<u><u>336,432</u></u>
Capital and reserves			
Share capital		72,935	74,926
Treasury shares		–	(1,991)
Reserves		258,158	257,087
Equity attributable to owners of the Company		<u>331,093</u>	<u>330,022</u>
Non-controlling interests		<u>7,676</u>	<u>6,410</u>
Total equity		<u><u>338,769</u></u>	<u><u>336,432</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2024

	Attributable to owners of the Company								
	Share capital <i>HK\$'000</i>	Treasury shares <i>HK\$'000</i>	Distribution reserve <i>HK\$'000</i>	Foreign currency translation reserve <i>HK\$'000</i>	Other reserve <i>HK\$'000</i>	Retained earning (accumulated losses) <i>HK\$'000</i>	Total <i>HK\$'000</i>	Non-controlling interests <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balance at 1 July 2024 (Audited)	74,926	(1,991)	288,469	(32,704)	20,974	(19,652)	330,022	6,410	336,432
Profit (Loss) for the period	-	-	-	-	-	981	981	(1,239)	(258)
Exchange differences on translating foreign operations	-	-	-	90	-	-	90	23	113
Total comprehensive income/(expense) for the period	-	-	-	90	-	981	1,071	(1,216)	(145)
Deemed capital contribution From non-controlling interests	-	-	-	-	-	-	-	2,482	2,482
Cancellation of treasury shares	(1,991)	1,991	-	-	-	-	-	-	-
Balance at 31 December 2024 (Unaudited)	<u>72,935</u>	<u>-</u>	<u>288,469</u>	<u>(32,614)</u>	<u>20,974</u>	<u>(18,671)</u>	<u>331,093</u>	<u>7,676</u>	<u>338,769</u>

For the six months ended 31 December 2023

	Attributable to owners of the Company							
	Share capital <i>HK\$'000</i>	Distribution reserve <i>HK\$'000</i>	Foreign currency translation reserve <i>HK\$'000</i>	Other reserve <i>HK\$'000</i>	Retained earning (accumulated losses) <i>HK\$'000</i>	Total <i>HK\$'000</i>	Non-controlling interests <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balance at 1 July 2023 (Audited)	74,926	288,469	(39,977)	16,798	5,869	346,085	6,164	352,249
Loss for the period	-	-	-	-	(6,405)	(6,405)	(145)	(6,550)
Exchange differences on translating foreign operations	-	-	(1,720)	-	-	(1,720)	(38)	(1,758)
Total comprehensive expense for the period	-	-	(1,720)	-	(6,405)	(8,125)	(183)	(8,308)
Balance at 31 December 2023 (Unaudited)	<u>74,926</u>	<u>288,469</u>	<u>(41,697)</u>	<u>16,798</u>	<u>(536)</u>	<u>337,960</u>	<u>5,981</u>	<u>343,941</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands, and its shares are listed on GEM.

The Company is an investment holding company. Its subsidiaries are principally engaged in the (i) trading of fresh produce and agricultural products, as well as general trading; , (ii) meat processing; (iii) money lending; and (iv) provision of heating supply services. The Group was also engaged in provision of coal mining and construction services, which was discontinued since February 2024.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements for the six months ended 31 December 2024 (“**Interim Financial Statements**”) have been prepared in accordance with the applicable disclosure provisions of Chapter 18 of the GEM Listing Rules and with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

The accounting policies and methods of computation applied in preparation of the Interim Financial Statements are consistent with those applied in preparing the Group’s annual consolidated financial statements for the year ended 30 June 2024.

The Group has adopted and applied the new standards, amendments to standards and interpretations that has been issued and effective for the accounting periods beginning on 1 July 2023. The adoption of these new standards and amendments to standards has no material impact on the Group’s results and financial position. The Group has not early adopted these new standards, amendments to standards and interpretations which have been issued by HKICPA but are not yet effective.

3. REVENUE

Revenue represents revenue arising on services rendered, net of sales related taxes, where applicable. An analysis of the Group's revenue for the period is as follows:

	Six months ended	
	31 December	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
		(Restated)
From continuing operations		
Revenue from contracts with customers within the scope of HKFRS 15		
– Trading of fresh produce and agricultural products as well as general trading	1,893,002	2,832,914
– Meat processing	409,611	–
– Provision for heating supply services	–	–
	<u>2,302,613</u>	<u>2,832,914</u>
Revenue from other source		
– Interest income from money lending business	2,338	2,302
	<u>2,304,951</u>	<u>2,835,216</u>

4. SEGMENT INFORMATION

Information reported to the Directors, being the chief operating decision makers (the “CODM”) for the purposes of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The CODM have chosen to organise the Group around differences in products or services. No operating segments identified by the CODM have been aggregated in arriving at the reportable segment of the Group.

Specifically, the Group's reportable and operating segments are as follows:

- Trading of fresh produce and agricultural products as well as general trading – Trading of fruit and agricultural products as well as general trading
- Meat processing – Meat processing and sales of processed meat products
- Money lending – Provision of money lending services
- Heating supply services – Provision of heating supply services

The Group's discontinued operating segment is as follow:

- Coal mining and construction services – Provision of excavation works and construction works

Segment revenues and results

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

For the six months ended 31 December 2024

	Continuing operations				Total (Unaudited) HK\$'000
	Trading of fresh produce and agricultural products as well as general trading (Unaudited) HK\$'000	Meat processing (Unaudited) HK\$'000	Money leading (Unaudited) HK\$'000	Heating supply services (Unaudited) HK\$'000	
Segment revenue	<u>1,893,002</u>	<u>409,611</u>	<u>2,338</u>	<u>-</u>	<u>2,304,951</u>
Segment results	<u>1,178</u>	<u>1,894</u>	<u>(1,978)</u>	<u>-</u>	<u>1,094</u>
Certain other income					795
Fair value changes on financial assets at FVTPL					3,256
Certain finance costs					(19)
Central administration costs					<u>(5,131)</u>
Loss before taxation					<u>(5)</u>

For the six months ended 31 December 2023

	Continuing operations			Discontinued operation	Total (Unaudited) HK\$'000
	Trading of fresh produce and agricultural products as well as general trading (Unaudited) HK\$'000	Money leading (Unaudited) HK\$'000	Heating supply services (Unaudited) HK\$'000	Coal mining and construction services (Unaudited) HK\$'000	
Segment revenue	<u>2,832,914</u>	<u>2,302</u>	<u>-</u>	<u>72,970</u>	<u>2,908,186</u>
Segment results	<u>7,758</u>	<u>1,050</u>	<u>1,768</u>	<u>(6,808)</u>	<u>3,768</u>
Certain other income					822
Fair value changes on financial assets at FVTPL					(5,026)
Certain finance costs					(47)
Central administration costs					<u>(4,894)</u>
Loss before taxation					<u>(5,377)</u>

5. OTHER INCOME

	Six months ended	
	31 December	
	2024	2023
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Restated)
From continuing operations		
Interest income on bank deposits	668	616
Government grants	–	1,925
Gain on disposal of property, plant and equipment	–	450
Dividend income from equity securities	124	67
Sundry income	16	126
	<u>808</u>	<u>3,184</u>

6. LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS

The Group's loss for the period has been arrived at after charging:

	Six months ended	
	31 December	
	2024	2023
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Restated)
Depreciation of property, plant and equipment	1,354	42
Depreciation of right-of-use assets	878	855

7. FINANCE COSTS

Six months ended	
31 December	
2024	2023
(Unaudited)	(Unaudited)
<i>HK\$'000</i>	<i>HK\$'000</i>
	(Restated)

From continuing operations

Imputed interest in lease liabilities

<u>43</u>	<u>117</u>
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8. INCOME TAX EXPENSE

Six months ended	
31 December	
2024	2023
(Unaudited)	(Unaudited)
<i>HK\$'000</i>	<i>HK\$'000</i>
	(Restated)

From continuing operations

Current profits tax:

– Hong Kong Profits Tax

– PRC

–	–
<u>253</u>	<u>1,173</u>
<u>253</u>	<u>1,173</u>

No provision for Hong Kong profits tax has been made in the consolidated financial statements as the Group has no estimated assessable profit for the period ended 31 December 2024.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the period ended 31 December 2024 (2023: 25%). Certain subsidiaries were subject to EIT at a rate of 5% for RMB3 million of profits, as they were classified as a small and low profit enterprise during the period ended 31 December 2024 and 2023.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

9. DIVIDENDS

The Board does not recommend the payment of interim dividend for the six months ended 31 December 2024 (2023: Nil).

10. EARNINGS (LOSS) PER SHARE

From continuing operations

The calculation of the basic and diluted earnings per share from continuing operations attributable to owners of the Company is based on the following data:

	Six months ended	
	31 December	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Earnings		
Earnings for the purpose of basic and diluted earnings per share (profit for the period attributable to owners of the Company)	<u>981</u>	<u>403</u>
	Number of	Number of
	Shares	Shares
	'000	'000
		(Restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>364,628</u>	<u>374,628</u>

From continuing and discontinued operations

The calculation of basic and diluted earnings (loss) per share from continuing and discontinued operation attributable to the owners of the Company is based on the following data:

	Six months ended	
	31 December	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Earnings (Loss) for the purpose of basic and diluted earnings (loss) per share for the period attributable to owners of the Company	<u>981</u>	<u>(6,405)</u>

The denominator used are the same as those detailed above for both basic and diluted earnings (loss) per share.

From discontinued operation

As for the six months ended 31 December 2024, the basic and diluted loss per share for the discontinued operation is HK1.82 cents per share, based on the loss for the period from discontinued operation of approximately HK\$6,808,000 and the denominators detailed above for both basic and diluted loss per share.

Diluted (loss) earnings per share was the same as the basic earnings (loss) per share as there were no potential dilutive ordinary shares outstanding during the six months ended 31 December 2023 and 31 December 2024.

11. TRADE, BILLS AND OTHER RECEIVABLES

	As at 31 December 2024 (Unaudited) <i>HK\$'000</i>	As at 30 June 2024 (Audited) <i>HK\$'000</i>
Trade receivables	153,998	151,165
Less: allowance for ECL of trade receivables	<u>(6,841)</u>	<u>(5,372)</u>
	147,157	145,793
Receivables arising from dealing in listed securities	3,509	22
Prepayments	29,886	33,653
Amount due from non-controlling interests	18,986	16,504
Other deposits paid, net of allowance for impairment	375	291
Other receivables, net of allowance for impairment	8,357	517
Other tax receivables	<u>303</u>	<u>1,377</u>
	<u><u>208,573</u></u>	<u><u>198,157</u></u>

The Group grants a credit period of 3 days to 90 days (2023: 30 days) to its customers. The following is an aged analysis of trade receivables, net of allowance for ECL accumulated impairment loss, presented based on the delivery date:

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
0-30 days	71,105	116,566
31-60 days	13,718	6,955
61-90 days	13,203	300
91-180 days	28,163	8,067
181-365 days	5,104	1,255
Over 1 year	15,864	12,650
	<u>147,157</u>	<u>145,793</u>

12. LOAN AND INTEREST RECEIVABLES

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
Fixed-rate loan and interest receivables	55,501	53,623
Less: allowance for ECL of loan and interest receivables	<u>(26,441)</u>	<u>(22,602)</u>
Total	<u>29,090</u>	<u>31,021</u>

At 31 December 2024, other than a loan to a third party with an aggregate principal and accrued interest with carrying amount of approximately HK\$2,600,000 (30 June 2024: HK\$2,439,000) is secured by a second charge of a property, all other loans to third parties with an aggregate principal and accrued interest of approximately HK\$26,490,000 (30 June 2024: HK\$28,582,000) are unsecured, bear fixed interest ranging from 6% to 18% (30 June 2024: 6% to 18%) per annum. All the loan and interest receivables are repayable within one year and thus classified as current assets.

13. TRADE, BILLS AND OTHER PAYABLES

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
Trade payables	2,985	6,427
Deposits received	2,620	–
Accrued staff costs	970	716
Other tax payables	10	–
Other payables and accrued expenses	<u>14,715</u>	<u>11,003</u>
	<u>21,300</u>	<u>18,146</u>

The average credit period on purchases is generally from 30 days extending up to 90 days for major suppliers. The following is an aged analysis of trade payables based on the delivery date:

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
0-30 days	1,955	5,308
31-60 days	–	–
61-90 days	–	–
Over 90 days	<u>1,030</u>	<u>1,119</u>
	<u>2,985</u>	<u>6,427</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business and financial review

For the six months ended 31 December 2024 (the “**Period**”), the Group recorded revenue of approximately HK\$2,304,951,000 (2023: HK\$2,835,216,000), a decrease of approximately 18.7% as compared to the same period in 2023. The decrease in revenue was mainly due to changes in the Group’s business mix and product mix compared with the same period last year. The Group added a new business of meat processing from April 2024. Moreover, the Group also focuses on the trading of high-quality fruits and fresh agricultural products and selects reputable and capable customers to increase the gross profit of this segment. Although the revenue decreased compared with the same period last year, the gross profit margin from the meat processing business was relatively higher than the trading business, reaching at about 1.2%. The gross profit margin of the fresh agricultural products trading business also increased to approximately 0.43% (2023: approximately 0.39%). Taking into account of the revenue from the money lending business, the Group’s overall gross profit for the Period still recorded an increase of approximately HK\$2,488,000 to HK\$15,585,000 (2023: HK\$13,367,000) as compared to that of the same period last year, and the gross profit margin increased from approximately 0.47% for the same period last year to approximately 0.67% for the Period.

During the Period, the Group recorded other income of approximately HK\$808,000 (2023: HK\$3,184,000), a decrease of approximately HK\$2,592,000. Other income included government grants and gains from disposal of property, plant and equipment of approximately HK\$1,925,000 and HK\$450,000, respectively in the same period last year, while there was no such income recognized during the Period. During the Period, the Group’s other gain came from fair value gains on financial assets at fair value through profit or loss account arising from listed securities investments, amounting to approximately HK\$3,256,000, compared to a loss of approximately HK\$5,030,000 in the same period last year.

The Group recorded administrative and other operating expenses of HK\$14,202,000 (2023: HK\$9,977,000) and finance costs of HK\$43,000 (2023: HK\$117,000), while income tax expenses decreased by approximately HK\$920,000 to HK\$253,000 (2023: HK\$1,173,000).

In summary, after taking into account the loss attributable to non-controlling interests, the profit attributable to owners of the Company for the Period was approximately HK\$981,000 (2023: loss of approximately HK\$6,405,000).

Money lending business

During the Period, loan interest income was approximately HK\$2,338,000 (2023: HK\$2,302,000), accounting for approximately 0.10% (2023: 0.08%) of the Group's total revenue. During the Period, the segment recorded a loss of approximately HK\$1,978,000 (2023: profit of HK\$1,050,000). The loss recorded during the Period was mainly due to an increase in expected credit loss provisions of approximately HK\$3,839,000 for loans and interest receivables in view of the increase in borrowers' default repayment days during the Period. During the Period, the Group did not take out any new loans. At the end of the Period, the Group's net loans and interest receivables amounted to approximately HK\$29,060,000 (30 June 2023: HK\$31,021,000).

Loan financing is the only money lending service provided by the Group and the Group's customers mainly include individuals and corporations referred to the Group through business or personal connections or by business counterparties of the Group. The loans granted by the Group are short-term loans and all outstanding loans originally had a maturity of no more than one year, although some loans are overdue. The Group does not have a specific target loan size but will assess each application on its merits and determine whether security in the form of a legal pledge of property or a personal guarantee from an independent third party is required.

As at 31 December 2024, the Group had 13 (30 June 2024: 13) outstanding loans, of which 9 (30 June 2024: 9) were individual borrowers and 4 (30 June 2024: 4) were corporate borrowers, in which only one (30 June 2024: one) outstanding loan was secured by a second charge on a property situated in Hong Kong.

The outstanding balance (including interest receivables) of each outstanding loan ranged from approximately HK\$1,000,000 to HK\$7,000,000 (30 June 2024: HK\$1,000,000 to HK\$7,000,000) with interest rate ranging from 6.00% to 18.00% (30 June 2024: 6.00% to 18.00%) per annum.

As at 31 December 2024, the top five borrowers of the Group constituted approximately 59.23% (30 June 2024: 59.04%) of the total principal amount of the Group's loan portfolio.

The Group continues to monitor the recoverability of its loans by regularly communicating with borrowers on their latest financial status and reviewing the borrowers' credit status, and will take any necessary follow-up actions to ensure repayment by the borrowers.

Provision of heating supply

Affected by the rising international commodity and energy prices and the high volatility in the prices of gas, the Group has terminated the services in Tianjin and temporarily suspended its heating supply services since May 2023. During the Period, no revenue (2023: nil) was recorded by the Group from the provision of heating supply services segment.

The Group will continue to monitor and assess market condition to consider if it would be appropriate to resume operation of the segment. During the Period, no revenue was recorded in this segment.

Trading of fresh produce and agricultural products and general trading

The Group mainly sourced quality live pigs and cattle from renowned suppliers and farms in Guangxi, Jiangxi and Hunan, and sold them to cities in Guangdong Province such as Shenzhen, Huizhou, Dongguan. Besides, the Group expanded the scope of the trading business to agricultural products such as eggs. During the Period, the Group recorded a revenue of approximately HK\$1,893,002,000 (2023: HK\$2,832,914,000), which accounted for approximately 82% of the Group's total revenue, and a segment profit of HK\$1,178,000 (2023: HK\$7,758,000). During the Period, due to the long-term default of certain customers resulting in the increase in overdue days in related trade receivables, the Group has made additional provisions for the expected credit losses of approximately HK\$1,495,000 (2023: Nil) for these over-due receivables. The directors are considering taking appropriate actions such as legal action to recover the trade receivables. Whereas non-recovery of such trade receivables may affect the performance of the Group, the directors do not consider this will materially affect the financial positions of the Group.

Investment in listed securities

As at 31 December 2024, the Group invested in securities listed in Hong Kong (i.e. financial assets at fair value through profit and loss (“FVTPL”)), the financial assets at FVTPL amounted to approximately HK\$30,400,000 (30 June 2024: HK\$27,033,000). During the Period, the Group recorded a gain arising from the fair value changes on financial assets at FVTPL of approximately HK\$3,256,000 (2023: a loss of approximately HK\$5,026,000).

Outlook

The Directors remained optimistic about the growing purchasing power and rising living standard of the population of the PRC and the business prospect of both the trading of fresh produce and agricultural products, and the meat processing business. The Directors are of the view that such business is the main driver for the growth of the Group and are also confident that this will help diversify the Group's business and generate more income and increase the profit margin of the Group in the long run. After carrying on the agricultural product trade business for more than a year, the Group has established a good cooperative relationship with the suppliers, and has built a business network in the industry, and intends to penetrate into their market by establishing food processing factories for processing fresh agricultural products such as pigs, cattle, sheep, and eggs in the cities such as Huizhou and Bao'an in Guangdong. The Group intends to sell through wholesale, retail and online shopping platforms, targeting supermarkets, company canteens, community stores for community residents, and online shopping by individuals.

Subject to the availability of resources, and should suitable investment and business opportunities arise, the Group may consider acquiring assets/business in new industries in order to enhance its financial performance as well as value to the shareholders of the Company.

Exchange exposure

Most of the trading transactions, assets and liabilities of the Group were denominated either in Hong Kong dollars, Renminbi or United States dollars. It is the Group's policy for its operating entities to operate in their corresponding local currencies to minimise currency risks.

Material acquisitions and disposals

During the period, the Group acquired a commercial property located in a prosperous area of Wan Chai, Hong Kong, which is used as the Group's office and headquarters in Hong Kong. The total cost is approximately HK\$8,500,000. The Group has no other material acquisitions or disposals of the Group's subsidiaries and associated companies.

Liquidity and financial resources

As at 31 December 2024, the Group held cash and cash equivalents of approximately HK\$59,361,000 (30 June 2024: HK\$81,762,000). Net current assets amounted to approximately HK\$319,738,000 (30 June 2024: HK\$323,749,000). As at 31 December 2024, the current ratio (defined as total current assets divided by total current liabilities) was approximately 12.2 times (30 June 2024: 13.4 times). The gearing ratio, being the ratio of total liabilities to total assets, was approximately 0.07 (30 June 2024: 0.07). The Group did not have and bank and other borrowings as at 31 December 2024 (30 June 2024: Nil).

Pledge of assets

As at 31 December 2024, there was no any material pledge of assets of the Group.

Employee information

As at 31 December 2024, there were 89 (2023: 149) staff members employed by the Group. The Group remunerates its employees mainly based on industry practices and their respective educational background, experience and performance. On top of the regular remuneration and discretionary bonus, share options may be granted to selected employees by reference to the Group's performance as well as individual's performance. In addition, each employee enjoys mandatory provident fund, medical allowance and other fringe benefits.

Contingent liabilities

As at 31 December 2024, the Group had no significant contingent liabilities.

OTHER INFORMATION

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at 31 December 2024, none of the Directors and the Chief Executives had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

Directors' rights to acquire shares or debentures

To the best knowledge of the Directors, at no time during the Period was the Company or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporation.

Substantial shareholders' interests and short positions in shares and underlying shares

As at 31 December 2024, so far as is known to the Directors and the Chief Executives, the interests and short positions of the persons or corporations in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO; or who was directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company as follows:

Long position in ordinary shares of HK\$0.20 each of the Company

Name of Shareholders	Nature of interests	Number of shares held	Approximate percentage of shareholding
XU, Gongming	Beneficial owner	600,000	0.16%
XU, Gongming (Note 1)	Held by controlled entity	102,719,000	28.17%
Redwood Bay Investment Group International Company Limited (Note 1)	Beneficial owner	102,719,000	28.17%
YAN, Weiwei (Note 2)	Held by controlled entity	66,974,000	18.37%
Star Link Technology Limited (Note 2)	Beneficial owner	66,974,000	18.37%

Note 1: XU, Gongming is deemed to be interested in 102,719,000 shares held by Redwood Bay Investment Group International Company Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly owned by XU, Gongming.

Note 2: YAN, Weiwei is deemed to be interested in 66,974,000 shares held by Star Link Technology Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly owned by YAN, Weiwei.

Save as disclosed above, as at 31 December 2024, no other person or corporation has interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO; or, who was directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

Share Option Scheme

The Company has adopted a share options scheme as approved by the shareholders of the Company (the “**Share Options Scheme**”) at the annual general meeting of the Company held on 12 December 2014, which had been expired and invalid from 11 December 2024. The Company will arrange for the shareholders of the Company to re-grant a new share options scheme at the shareholders’ meeting in due course to implement the plan.

No options have been granted under the Share Options Scheme since its adoption.

Competing interests

During the Period, none of the Directors, substantial shareholders, and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which competes or may compete with the business of the Group or any conflicts of interest which had or might have with the Group.

Purchase, sale or redemption of the Company’s listed securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the Period.

Compliance with Code of Conduct for Securities Transactions by Directors

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as a code of conduct of the Company regarding securities transactions by the Directors. The Company has made specific enquiry with all the Directors, and the Directors have confirmed that they complied with the required standard of dealings and the Company's code of conduct regarding securities transactions by the Directors throughout the Period.

Disclosure of information of directors under rule 17.50A(1) of the GEM Listing Rules

Pursuant to Rule 17.50A (1) of the GEM Listing Rules, there are no changes in information of the Directors since the date of annual report of the Company for the year ended 30 June 2024. There is no other information required to be disclosed pursuant to Rule 17.50A (1) of the GEM Listing Rules.

Code on Corporate Governance Practices

The Company endeavours in maintaining high standard of corporate governance for the enhancement of shareholders' value. Pursuant to code provision A.2.1 of the Code on Corporate Governance (“**Corporate Governance Code**”) as set out in Appendix C1 to the GEM Listing Rules, the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Mr. Cai Da, the chairman of the Company, who is responsible for providing leadership to and ensuring the effectiveness of the Board, and performing the roles of the chairman for the purposes of the articles of association of the Company, the Corporate Governance Code and the GEM Listing Rules, for overall leadership in the strategic development of the business of the Group. Following the resignation of the chief executive officer of the Company in January 2021, the Board has not yet appointed a new chief executive of the Company. Currently, the duties of the chief executive have since then been undertaken by the executive directors of the Company collectively. The Board will keep reviewing the current structure of the Board and the need of appointment of a suitable candidate to perform the role of chief executive. Appointment will be made to fill the post if a suitable candidate is selected to meet the expansion of the Group and so comply with code provision C.2.1 of the Corporate Governance Code. Save as disclosed above, the Company has complied with all the code provisions and, where appropriate, the applicable recommended best practices of the Corporate Governance Code during the Period.

Audit Committee

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the Corporate Governance Code. The primary duties of the Audit Committee are to (i) review the Company’s annual report and accounts, interim reports and quarterly reports; (ii) provide advice and comments thereon to the Board; and (iii) review and supervise the Group’s financial reporting and internal control procedures and risk management system. The Audit Committee comprises three independent non-executive directors, namely Ms. Yuen Wai Man (committee chairperson), Mr. Chen Xier and Mr. Huang Tianhua.

The Group’s unaudited condensed consolidated financial statements for the Period, has been reviewed by the Audit Committee, which is of the opinion that the preparation of such results complied with the applicable accounting standards, the GEM Listing Rules and that adequate disclosures have been made.

By Order of the Board
Du Du Holdings Limited
Cai Da
Chairman

Hong Kong, 28 February 2025

As at the date of this announcement, the Board of the Company, comprises (i) three executive directors namely, Mr. Cai Da, Ms. Lei Ming and Mr. Wang Tong Tong and (ii) three independent non-executive directors namely, Ms. Yuen Wai Man, Mr. Chen Xier and Mr. Huang Tianhua.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement 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 announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven (7) days from the date of its publication and is available for reference on the website of the Company at www.duduholdings.com.hk.