



都都控股有限公司 Du Du Holdings Limited

(formerly known as Silk Road Energy Services Group Limited)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8250)



Interim Report
2024/25



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Cai Da (*Chairman of the Company*)
Mr. Wang Tong Tong
Ms. Lei Ming

Independent Non-Executive Directors

Ms. Yuen Wai Man
Mr. Chen Xier
Mr. Huang Tianhua

AUDIT COMMITTEE

Ms. Yuen Wai Man (*committee chairman*)
Mr. Chen Xier
Mr. Huang Tianhua

NOMINATION COMMITTEE

Mr. Cai Da (*committee chairman*)
Mr. Chen Xier
Mr. Huang Tianhua

REMUNERATION COMMITTEE

Ms. Yuen Wai Man (*committee chairman*)
Mr. Cai Da
Mr. Huang Tianhua

COMPANY SECRETARY

Mr. Luk Chi Shing

AUTHORISED REPRESENTATIVES

Mr. Cai Da
Mr. Luk Chi Shing

COMPLIANCE OFFICER

Mr. Cai Da

REGISTERED OFFICE

PO Box 309, Ugland House,
Grand Cayman, KY1-1104,
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat C, 2/F, Gaylord Commercial Building,
114–118 Lockhart Road, Wan Chai,
Hong Kong

INDEPENDENT AUDITOR

Confucius International CPA Limited,
Certified Public Accountants
Room 1501-8, Tai Yau Building,
181 Johnston Road,
Wanchai, Hong Kong

PRINCIPAL BANKERS

Dah Sing Bank Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of
China Limited Shenzhen Xinian
District Branch
China Minsheng Banking Corporation
Limited Shenzhen Xili District Branch

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Corporate Services Limited
PO Box 309, Grand Cayman, KY1-1104
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor
Services Limited
Shops 1712—1716, Floor 17,
Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong



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 period 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)
		HK\$'000	HK\$'000
	Notes		(Restated)
Continuing operations			
Revenue	3	2,304,951	2,835,216
Cost of goods sold and services rendered		(2,289,467)	(2,821,849)
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	(43)	(117)
(Loss) profit before taxation		(5)	1,431
Income tax expense	8	(253)	(1,173)
(Loss) profit for the period from continuing operations	6	(258)	258

	Six months ended	
	31 December	
	2024	2023
	(Unaudited)	(Unaudited)
Notes	HK\$'000	HK\$'000
		(Restated)
Discontinued operation		
Loss for the period from discontinued operation	—	(6,808)
Loss for the period	(258)	(6,550)
Other comprehensive income (expenses) for the period		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translating foreign operations	113	(1,758)
Total comprehensive income (expense) for the period	(145)	(8,308)
Profit (loss) for the period attributable to owners of the Company		
– from continuing operations	981	403
– from discontinued operation	—	(6,808)
	981	(6,405)
Loss for the period attributable to non-controlling interests		
– from continuing operations	(1,239)	(145)
– from discontinued operation	—	—
	(1,239)	(145)



**Six months ended
31 December**

2024

2023

(Unaudited)

(Unaudited)

Notes

HK\$'000

HK\$'000

(Restated)

Total comprehensive income (expense)
attributable to

Owners of the Company

1,071

(8,125)

Non-controlling interests

(1,216)

(183)

(145)

(8,308)

Total comprehensive income (expense)
attributable to owners of the Company

– from continuing operations

1,071

2,899

– from discontinued operation

–

(11,024)

1,071

(8,125)

Earnings (loss) per share

10

From continuing and discontinued
operations

– Basic and diluted (HK cents per share)

0.27

(1.17)

From continuing operations

– Basic and diluted (HK cents per share)

0.27

0.11

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
	Notes		
Non-current assets			
Property, plant and equipment		12,687	5,635
Right-of-use assets		759	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>



	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
<i>Notes</i>		
Total assets less current liabilities	338,802	336,627
Non-current liabilities		
Lease liabilities	33	195
Net assets	338,769	336,432
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	331,093	330,022
Non-controlling interests	7,676	6,410
Total equity	338,769	336,432

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2024

	Attributable to owners of the Company						Non-controlling interests	Total
	Share capital	Treasury shares	Distribution reserve	Foreign currency translation reserve	Other reserve	Retained earning (accumulated losses)		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 July 2024 (Audited)	74,926	(1,991)	288,469	(32,704)	20,974	(19,652)	330,022	336,432
Profit (Loss) for the period	-	-	-	-	-	981	981	(258)
Exchange differences on translating foreign operations	-	-	-	90	-	-	90	113
Total comprehensive income/ (expense) for the period	-	-	-	90	-	981	1,071	(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)	72,935	-	288,469	(32,614)	20,974	(18,671)	331,093	338,769

For the six months ended 31 December 2023

	Attributable to owners of the Company							Total
	Share capital	Distribution reserve	Foreign currency translation reserve	Other reserve	Retained earnings (accumulated losses)	Total	Non-controlling interests	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
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)	74,926	288,469	(41,697)	16,798	(536)	337,960	5,981	343,941

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2024

	Six months ended	
	31 December	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Net cash used in operating activities	(13,880)	(30,711)
Net cash (used in) from investing activities	(7,702)	5,830
Net cash (used in) from financing activities	(974)	1,470
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(22,556)	(23,411)
Cash and cash equivalents at beginning of period	81,762	105,081
Effect of foreign exchange rate changes	155	2,766
	<hr/>	<hr/>
Cash and cash equivalents at end of period, represented by bank balances and cash	59,361	84,436
	<hr/>	<hr/>



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 2024. 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	–	–
	2,302,613	2,832,914
Revenue from other source		
– Interest income from money lending business	2,338	2,302
	2,304,951	2,835,216



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 and discontinued operations by reportable and operating segment:

For the six months ended 31 December 2024

	Continuing operations				
	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	Total (Unaudited) HK\$'000
Segment revenue	1,893,002	409,611	2,338	–	2,304,951
Segment results	1,178	1,894	(1,978)	–	1,094
Certain other income					795
Fair value changes on financial assets at FVTPL					3,256
Certain finance costs					(19)
Central administration costs					(5,131)
Loss before taxation					(5)



For the six months ended 31 December 2023

	Continuing operations			Discontinued operation	
	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	Total (Unaudited) HK\$'000
Segment revenue	2,832,914	2,302	–	72,970	2,908,186
Segment results	7,758	1,050	1,768	(6,808)	3,768
Certain other income					822
Fair value changes on financial assets at FVTPL					(5,026)
Certain finance costs					(47)
Central administration costs					(4,894)
Loss before taxation					(5,377)

5. OTHER INCOME

	Six months ended 31 December	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
		(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)
	HK\$'000	HK\$'000
		(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)
	HK\$'000	HK\$'000
		(Restated)
From continuing operations		
Imputed interest in lease liabilities	43	117

8. INCOME TAX EXPENSE

	Six months ended 31 December	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
		(Restated)
From continuing operations		
Current profits tax:		
– Hong Kong Profits Tax	–	–
– PRC	253	1,173
	253	1,173

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
		(Restated)

Earnings

Earnings for the purpose of basic and diluted earnings per share (profit for the period attributable to owners of the Company)

981	403
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Number of Shares '000	Number of Shares '000
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Number of shares

Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share

364,628	374,628
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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>
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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 2023, 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 earnings (loss) per share.

Diluted earnings (loss) 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) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
Trade receivables	153,998	151,165
Less: allowance for ECL of trade receivables	(6,841)	(5,372)
	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	303	1,377
	208,573	198,157

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
	147,157	145,793



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	(26,441)	(22,602)
	29,060	31,021

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) was secured by a second charge of a property, all other loans to third parties with an aggregate principal and accrued interest of approximately HK\$26,460,000 (30 June 2024: HK\$28,582,000) were unsecured, bear fixed interest ranging from 6% to 18% (30 June 2024: 6% to 18%) per annum. All the loan and interest receivables were 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	14,715	11,003
	21,300	18,146

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	1,030	1,119
	<hr/> 2,985	<hr/> 6,427

14. COMPARATIVE FIGURES

Certain comparative figures have been reclassified and restated to conform to the current period's presentation.



MANAGEMENT DISCUSSION AND ANALYSIS

Business and financial review

For the six months ended 31 December 2024 (the “Period”), the Group recorded revenue from continuing operations 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 and products mix as compared with the same period last year. The Group has started a new business of meat processing from April 2024. Moreover, the Group also focuses on the trading of high-quality fresh produce and agricultural products and selects reputable and capable customers to increase the gross profit of its business. Although the revenue decreased as compared with the same period last year, the gross profit margin especially from the meat processing business was relatively higher than the fresh produce and agricultural products as well as general trading business, reaching at about 1.22%. Moreover, the gross profit margin of the 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 from continuing operations for the Period still recorded an increase of approximately HK\$2,117,000 to HK\$15,484,000 (2023: HK\$13,367,000) as compared to that of the same period last year, and the overall 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\$2,376,000. 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, whereas there was no such income recognized during the Period. During the Period, the Group’s other gain came from gain on changes in fair values of listed securities (i.e. financial assets at FVTPL), amounting to approximately HK\$3,256,000, as compared to loss of HK\$5,026,000 in the same period last year.

The Group recorded administrative and other operating expenses of HK\$14,202,000 (2023: HK\$9,977,000), the increase was mainly due to the increase in expenses of the new meat processing business. Besides, during the Period, finance costs amounted to approximately HK\$43,000 (2023: HK\$117,000), and income tax expenses decreased by approximately HK\$920,000 to HK\$253,000 (2023: HK\$1,173,000) as compared to the same period last year.

In summary, after taking into account the loss attributable to non-controlling interests of approximately HK\$1,239,000 (2023: HK\$145,000), the profit attributable to owners of the Company from both continuing operations and discontinued operation for the Period was approximately HK\$981,000 (2023: loss of HK\$6,405,000).

Fresh produce and agricultural products as well as 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 and durians. 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 82.1% 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 in payments by certain customers, the Group has made additional provisions for the expected credit losses of approximately HK\$1,469,000 (2023: Nil) for these over-due receivables. The Directors are considering taking appropriate actions such as legal action to recover the trade receivables. Although, failure to collect such trade receivables in a timely manner may affect the performance of the Group in the short run, the Directors do not consider this would materially affect the financial position of the Group.

Meat processing

The Group started its meat processing business in April 2024. The Group provides customers with services including meat cutting, packaging, warehousing, cold chain transportation and distribution. During the Period, total revenue contributed from this business segment was approximately HK\$409,611,000 which accounted for approximately 17.8% of the Group's total revenue. The gross profit and profit from meat processing segment were approximately HK\$4,990,000 (representing gross profit margin of approximately 1.22%) and HK\$1,894,000 respectively. Other than providing customers with high-quality, safe and healthy food, the Group has also adopted a more flexible and attractive pricing strategy so as to capture the market shares quickly. The Directors have confidence that the gross profit margin of this business segment would increase along with the increase in the economic scale and customers' recognition in the near future, moreover, this new business segment could create synergy with the Group's existing fresh produce and agricultural products trading business, which would help the long-term development of the Group's future business.



Money lending business

During the Period, loan interest income was approximately HK\$2,338,000 (2023: HK\$2,302,000), accounting for approximately 0.1% (2023: 0.1%) 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 (2023: Nil) for loan 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 loan 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 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. 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% to 18% (30 June 2024: 6% to 18%) per annum.

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

The Group will continue 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.

Investment in listed securities

As at 31 December 2024, the Group invested in certain securities listed in Hong Kong (i.e. financial assets at 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: loss HK\$5,026,000).

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.

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 businesses are 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 fresh produce and agricultural products trading business for the past years, the Group has established a good cooperative relationship with the suppliers, and has built a business network in the industry. In addition, the Group will continue to enrich the products portfolio (including but not limited to import high-quality fresh produce and agriculture products from countries in both south east asia and southern America), and to develop valuable customers to broaden its customers' bases as well as to improve the factory operation efficiency in order to realize value addition to our businesses.

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 minimize 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 costs (including refurbishment expenses) were approximately HK\$8,500,000. The Group has no other material acquisitions or disposals of its subsidiaries and associated companies.

Liquidity and financial resources

As at 31 December 2024, the Group held cash and cash equivalents of approximately HK\$9,361,000 (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 0.08 (30 June 2024: 0.07). The Group did not have any 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

Change of company names

Pursuant to the passing of the special resolution in the extraordinary general meeting by the shareholders of the Company on 17 January 2025, the names of the Company have been changed from “Silk Road Energy Services Group Limited” to “Du Du Holdings Limited” in English and from 「絲路能源服務集團有限公司」 to 「都都控股有限公司」 in Chinese. The Board considers that the change of company names will better reflect the current status of the Group and its direction of future development, and the new names of the Company will create a new corporate image which will benefit the Group’s future business development.

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 options 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 12 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 C.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 chairman), 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 report, 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.

