Du Du Holdings Limited
都都控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8250)

SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
ON-MARKET ACQUISITION OF LISTED SECURITIES

Reference is made to the announcement (the "**Announcement**") of the Company dated 16 July 2025, in relation to the acquisition of 836,000 Bright Smart Shares on the open market through the Stock Exchange. Unless otherwise defined, capitalised terms herein shall have the same meanings as those defined in the Announcement.

The Board would like to provide the shareholders and potential investors of the Company with supplemental information in relation to the Acquisition as follows:-

Investment policies and objectives

The investment policy and objectives of the Group are as follows:-

The scale of funds for the Group's investment shall be compatible with the Group's asset structure and shall not affect the normal business operations of the Group, and the investment objective is to generate an attractive medium-term to long-term return and mitigate risk through diversification.

Adhering to the aforesaid investment strategy and objectives, the Group has identified Bright Smart as a stock that offers diversification benefits and potential capital appreciation that is complementary to the Group's existing portfolio for reasons (including but not limit to): (i) Bright Smart is one of the leading and well-established securities and futures brokerage company in Hong Kong, offering margin financing, stock trading, and asset management services; (ii) Historically, Bright Smart has paid decent dividends, making it attractive for the Group. Moreover, a consistent dividend policy could indicate its financial stability; and (iii) In the first half of 2025, investor sentiment rebounded, and a large number of high-quality companies raised funds through the Hong Kong market, driving significant growth in Hong Kong's equity financing market. The Hang Seng Index led the world in the first half of 2025. International and mainland Chinese investors' enthusiasm for Hong Kong stocks drove the Hang Seng Index up by over 20% during the period, while the average daily trading volume of Hong Kong stocks increased by 82% year-on-year to HK$240 billion. Brokerages like Bright Smart could see improved trading volumes and earnings. Therefore, the Directors considered that the Acquisition also aligns with the Group's overall risk-return objectives and liquidity requirements as further elaborated below.

Risk management and control measures

The Group adopts the following risk management and control measures with respect to its investment in securities:

(1) Preset total quota

The total securities investment quota ("**Preset Total Quota"**) is set at 10% of the Group's latest audited net assets or an absolute amount of HK$40 million, whichever is lower;

The Preset Total Quota may be changed from time to time depending on the circumstances, including but not limit to the existing and future funding needs of the Group's daily business operation. If there should be any change to Preset Total Quota, it shall be determined after consideration by the Board; and

A single security investment within the Preset Total Quota, which does not belong to a disclosable transaction, major transaction, very substantial acquisition/disposal transaction or connected transaction, maybe be executed and approved by the Working Group (as defined below), which is headed by the Chairman of the Company (i.e. Mr. Cai Da) whom is the authorised person (the "**Authorised Person**" or "**Mr. Cai**") to operate the securities account; otherwise, it shall be approved by the Board and, if necessary, submitted to the shareholders' meeting for approval.

(2) Diversified portfolio

As a rule of thumb, the Group will manage its securities portfolio to avoid over-concentration in one single security. A diversified portfolio can reduce exposure to the failure or sharp plunge in one security.

(3) Gain and loss limits

For each trade, stop-loss and take-profit levels will be set. The stop-loss is a measure to control the maximum possible loss, the threshold is set at not more than 20% below the price that the Group purchased that security. Once the threshold is hit, the Group will sell the security in the market in an orderly manner. Similarly, the take-profit is a measure to lock in profits when the security reaches a pre-desired price or profit margin for each individual security. The stop-loss and take-profit levels are set based on technical and data analysis.

(4) Constant monitoring

The Group will keep abreast of the market news which may have impact on the industry prospect and sentiment of each security invested. Government policies and regulations, security breaches, etc may affect the securities' prices and safety. Swift actions will be taken to secure the Group's investment in the securities.

(5) Leveraging

The Group will use its internal resource to finance its investment in the securities, and has no intention to leverage in securities trading.

(6) Counterparty risk

The Group will only trade securities on-markets which are properly licensed in Hong Kong or the PRC.

(7) Selection of securities

The following criteria will be considered by the Group prior to the investment in securities: (i) having recurring revenue and profit; (ii) with sound financial positions and substantial net assets and market capitalization values; .(iii) with consistent dividend payment policy and history; (iv) historically with substantial daily trading volume as compared to the number of securities invested by the Group; and (v) no material disciplinary actions being taken against.

Prior to the Acquisition, counterparty risk, liquidity risk and concentration risk had been assessed. The maximum investment amount for the Acquisition has been set and specially approved by the Board after taking into consideration of the available funds and funding requirements for the Group's daily operations. Given that (i) the Acquisition was executed on the Stock Exchange; (ii) the consideration of each trade of the Acquisition is based on the bid and ask prices quoted on the Stock Exchange at the time of the trade being executed, the Directors believe that the counterparty risk is minimal; and (iii) the 836,000 Bright Smart Shares purchased represents a comparatively small fraction of the average daily trading volume of Bright Smart on the Stock Exchange, which means it would be easy for the Group to dispose the Bright Smart Shares on the market for cash, the liquidity risk is therefore considered insignificant. It is the present intention of the Group that no further Bright Smart Shares will be acquired in order to avoid the portfolio being over concentrated, accordingly, the Directors consider that the concentration risk with respect to the Acquisition is controllable.

Approval and oversight mechanisms

(1) Working group

To cater for the Group's securities investment, a working group (the "**Working Group**") is formed to be responsible for managing and supervising the securities investment and conducting risk control on the aspects and standards mentioned above. The Working Group will report to the Board from time to time on the performance of the securities investment. If there is any material market fluctuation or serious concern, the Working Group shall immediately bring to the attention of the Board.

The Working Group consists of three (3) executive Directors (namely, Mr. Cai Da, Mr. Wang Tongtong and Ms. Lei Ming) and is assisted and supported by a certified public accountant (whom is also a staff of the Group and has over 25 years of working experience in the accounting field), headed by Mr. Cai. Both Mr. Cai and Mr. Wang Tongtong has accumulated over eight (8) years of experience in securities investment, whom have also been appointed to manage the securities investment for the Group during the past years. The Working Group will be in charge of internal control procedures, risk management, monitoring operations and overseeing compliance. The Working Group possesses a diverse range of skills including but not limited to business and financial investment and management. The composition of the Working Group may change as and when necessary to strengthen it and suit the evolving needs of the business. If necessary, the Group may invite a professional with high calibre, who has extensive experience in the investment of securities, to the Working Group.

Each member in the Working Group can make recommendations to the other members in relation to the securities investment by specifying the type of or a specific security, unit price and number of securities to be bought or sold together with the proposed stop-loss or take-profit price (where relevant). The members shall make the recommendation to the head of the Working Group, who may approve or reject the same. In the event the recommendation is approved, the head of the Working Group shall proceed to execute or procure the execution of the trade of the security. On the other hand, if the recommendation is from the head of the Working Group, the Working Group shall inform the other Working Group members of his recommendation. When one of such Working Group members approves the recommendation of the head of the Working Group, the head of the Working Group shall execute or procure the execution of the trade of security.

The head of the Working Group was designated for the securities investment allocation strategy, and the handling and management of securities investment. This includes keeping securities account cards, securities trading passwords and other transaction information, keeping track of the use of securities investment funds, following up the implementation of the securities investment plan, implementing the securities investment plan and various risk control measures, and promptly reporting to the Board in case of abnormal situations.

The Board shall bear the ultimate management and approval responsibilities, and the Working Group shall be responsible for the preparation, implementation and follow-up management of investment projects.

The Group's finance department shall conduct daily accounting of the Group's securities investment matters in accordance with the relevant provisions of Hong Kong Accounting Standards and correctly present them in the financial statements, and also regularly report the securities investment situation to the Board, and the Group shall disclose the securities investment and corresponding profit and loss situation in the periodic reports. The disclosure content shall include: (i) the composition of securities investment at the end of the reporting period, explaining the types of securities, investment amount and the proportion of total investment; (ii) the names, codes, quantities held, initial investment amount and market value at the end of the period of the major securities at the end of the reporting period, ranked by the proportion of their market value to the total investment amount; and (iii) the profit and loss situation of securities investment during the reporting period.

The Board shall review the securities investment held by the Group periodically at an interval of not more than six months, and determine whether and what action shall be taken in relation to the relevant investment.

Save as disclosed above, all other information set out in the Announcement remains unchanged.

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

Hong Kong, 19 November 2025

As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. Cai Da, Mr. Wang Tongtong and Ms. Lei Ming; and (ii) three independent non-executive Directors, namely Ms. Yuen Wai Man, Mr. Huang Tianhua and Mr. Wan Yu.

This announcement, for which all the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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, 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 in this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkexnews.com 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.