

INFINITY DEVELOPMENT HOLDINGS COMPANY LIMITED

星謙發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Company Registration No.: 234794)

(Hong Kong Stock Code: 640)

(Singapore Stock Code: ZBA)

RESPONSES TO QUESTIONS FROM THE SHAREHOLDERS AND THE SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

The Board of Directors (“**Board**”) of Infinity Development Holdings Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to (i) the queries from shareholders as of the stipulated deadline of 16 January 2026; and (ii) the queries from the Securities Investors Association (Singapore) (“**SIAS**”) received on 15 January 2026, with reference to the Company’s announcement dated 6 January 2026 on “*Submission of Questions for the annual general meeting (“2025 AGM”) Of Infinity Development Holdings Company Limited to be held on Thursday, 29 January 2026 at 3:00 p.m.*”.

The Company’s responses to the queries received are set out below. Where questions of a similar nature were received, the Company has grouped such questions by topic and provided a consolidated response accordingly.

Indonesia

Q1. The Company has received questions on November 2025 media report that Indonesia footwear were rejected by US following contamination on Caesium-137 contamination fears, and its impact on the Group’s operations and new plant in Indonesia.

Based on information available to the Company and to the best of the Company’s knowledge, the Company’s operations and supply chain remain stable, and there has been no disruption to production, deliveries, or customer relationships arising from the reported concerns. The Company maintains established quality assurance and compliance procedures aligned with applicable international standards and continues to monitor developments as part of its ongoing risk management processes.

The Company’s new plant located at Kendal Industrial Park, Kendal Regency, Central Java, is geographically distant from the Cikande Industrial Estate in Banten, where the reported Caesium-137 contamination occurred. Based on current information and in the absence of any reported impact from its major customers, the Company does not expect the operations or business prospects of its new plant to be affected by this matter.

The Company will make further announcements should any material developments arise.

Q2. The Company has received several questions relating to the new Indonesia plant, including (i) the plant’s production capacity and the timeline for reaching full operational capacity, as well as the phasing out of the existing plant; (ii) the anticipated customer demand and plans for allocating production to meet such demand; and (iii) rationale for new Indonesia plant.

The new Indonesia plant at Kendal Industrial Park, Kendal Regency, Central Java, is constructed and designed to achieve a production capacity of 14,000 tons, subject to customer demand and prevailing market conditions. As at the date of this announcement, certain regulatory approvals required for full commercial operations remain in the process of being obtained. Pending issuance of these approvals, the new plant may conduct trial production and gradually ramp up output in line with regulatory compliance.

Casual footwear is gaining traction among Indonesian consumers as it complements modest fashion in the Muslim-majority market. With the establishment of the new Indonesia plant, the Group believes it

can better serve customers by enhancing cost competitiveness and freight time advantages, while further solidifying its core business. The new plant is expected to provide additional production capacity to meet the increasing demand from customers.

The breakeven utilisation level of the new Indonesia plant will depend on a number of factors, including the pace of production ramp-up, customer demand, product mix and prevailing cost conditions. As such, it is not meaningful to state a specific breakeven utilisation threshold at this stage.

The expansion of capacity to 14,000 tons allows the Indonesia plant to accommodate additional production requirements arising from customer demand, including existing customers, and for the production of both the Company's own products and products manufactured for customers. Management continues to focus on ensuring efficient operations, fulfilling production schedules, and maintaining consistent product quality and reliability.

The existing plant will continue to operate in parallel to ensure stability, maintain uninterrupted supply to customers, and provide flexibility in meeting market demand. The decommissioning of the existing plant will be phased gradually, with management monitoring market conditions closely to determine the appropriate timetable for its eventual termination.

This dual-plant arrangement reflects the Company's commitment to operational reliability, regulatory compliance, and business continuity in Indonesia. The Company will make further announcements should there be any material developments regarding the new plant's operational status or regulatory approvals.

Q3. Noted that as at 30 September 2025, the Group had capital commitments of approximately HK\$17,504,000, can the Company clarify if these are mainly for Indonesia or spread evenly through its various plants in China and Vietnam?

As disclosed in the Group's annual report for the financial year ended 30 September 2025, the Group had capital commitments of approximately HK\$17,504,000 in respect of acquisitions of property, plant and equipment. The majority of these capital commitments are for the new Indonesia plant. There are no material capital commitments allocated to the plants in China or Vietnam, and any material capital commitment would depend on market conditions and/or conditions of the plants. The Group has sufficient internal capital resources to support ongoing operations and existing business plans in those locations.

Q4. What is the estimated capital expenditure (including machineries) for your planned factory in Indonesia? How much has been incurred so far and how much will be spent in the current financial year?

As disclosed in the Offer Document (the "Offer Document") of the Company dated 21 November 2025, the estimated cost of the acquisition of property, plant and equipment and construction works of the new Indonesia plant is HK\$90.4 million, of which HK\$55.6 million has already been expended as at 31 March 2025, and a further amount of approximately HK\$20.5 million has been expended for the six months ended 30 September 2025. The remaining amount of approximately HK\$14.3 million is expected to be expended in the financial year ending 30 September 2026.

Q5. The Company has received questions on production capacity, including the new Indonesia plant and request for presentation in table format.

Locations	Productive capacity (tons per year)
Vietnam	41,000
PRC	28,000
Indonesia (new plant)	14,000
Total	83,000

Notes:

- (1) Maximum production capacity for the above three plants is estimated based on maximum output for 11.5 months per year, 30 days per month, operating two shifts per day, with each shift of 8 hours.
- (2) Above assuming existing plant in Indonesia is phased out; the existing plant in Indonesia has a productive capacity of 6,000 tons per year, and aggregated with the productive capacity of Vietnam and PRC, the total productive capacity is approximately 75,000 tons per year. As such, the above 83,000 tons per year represent approximately 10.7% increase in productive capacity.

India

Q6. What are the plans for India expansion? When will this expansion be carried out? Are the funds from SG IPO sufficient?

The Company is undertaking planning for its new plant in India and anticipates that, should the India expansion proceed, the associated costs will be funded mainly through internal resources and partial proceeds from the IPO, in accordance with the allocations set out in the Offer Document. The Company currently targets the new plant to be operational by the financial year ending 30 September 2027.

In the event that there is any material disbursement of IPO proceeds for the India expansion, or for any other material use of proceeds, the Company will make the necessary announcements in accordance with the Catalist Rules, including disclosure of the amount used and whether such use is in accordance with the stated purpose and percentage allocation in the Offer Document.

The Company continues to evaluate the feasibility and commercial viability of the India expansion and will provide further updates should any material developments occur.

Growth Drivers

Q7. The Company has received several questions relating to (i) reasons for increase in revenue, particularly for Indonesia; (ii) significance of its largest customer, in view of the Group's expansion plans; (iii) dependency on international brands; and (iv) revenue growth for India.

On a year-on-year basis, the Group recorded increase in revenue across all geographical regions. The growth in Indonesia was mainly attributable to continued demand from the Group's existing customers in the region. Revenue growth in the PRC was reflecting adjustments in customer order patterns and overall, the Group continues to see steady and positive sales growth.

The Group has long-standing and stable relationships with its customers, including a relationship of over 30 years with its largest customer, which is a publicly listed global footwear manufacturing group supplying to major international brands. This long-standing relationship reflects the Group's ability to consistently meet its customers' quality, service and cost requirements.

In line with established practices in the athletic footwear manufacturing industry, footwear manufacturers are generally required to source production materials from designated or approved suppliers recognised by their end-customers. Accordingly, the Group's key customers often continue to drive demand, including in Indonesia. While the Company has certain visibility over the brands for which its customers produce footwear, the footwear manufacturers do not provide a breakdown of adhesives used for each brand. As such, precise figures on revenue or dependency by individual international brands are not readily available. The Group remains focused on maintaining strong relationships with its existing key customers while carefully pursuing opportunities to broaden its customer base and market presence over time, thereby supporting both revenue stability and customer diversification.

The Group regularly reviews its sales portfolio to ensure alignment with strategic priorities and risk management objectives while maintaining a prudent balance between deep strategic partnerships with key customers

On India's revenue contribution

The growth in our India sales is primarily driven by global diversification of footwear manufacturers. In FY2025, revenue derived from India was approximately HK\$10.45 million, representing around 1.25% of the Group's total revenue. While India currently contributes a modest share of overall sales, the Group remains optimistic about the future of the Indian market, given the ongoing diversification of production within the global footwear supply chain.

On gross profit margin

The Group's gross profit margin remained stable for the FY2025 and FY2024 respectively. The factors influencing profit margin, including raw material costs, cost-control measures, and geographical revenue performance, have been addressed elsewhere in this announcement (see responses to Question 7 above and Question 8 below). The Group maintains flexibility in pricing arrangements with customers to reflect changes in input costs, while continuing to focus on operational efficiency and cost discipline. The new production plant in Indonesia provides additional capacity to meet customer demand and, together with ongoing operational efficiency efforts, is expected to support the Group's operations going forward.

The Board continues to prioritise initiatives such as disciplined cost management, operational efficiency, and leveraging production capacity expansion to maintain margin resilience and support long-term sustainable profitability.

Outlook

Q8. The Company has received several questions relating to (i) growth prospects for 2026, in view of new Indonesia plant; (ii) cost pressure, including the Group's hedging policy; (iii) impact on environmental-friendly products on growth, including significant product innovation and technical collaboration; and (iv) research and development ("R&D") expenses.

The Company remains cautious in assessing its business growth prospects in light of recent developments, including changes in tariff policy and escalating global political uncertainties. Despite the Group's expansion of manufacturing capacity in Indonesia, it adopts a prudent business outlook designed to position the Company to manage external challenges and maintain operational stability.

The Group's profit margin was influenced by raw material costs and the effectiveness of its ongoing cost-control measures. As disclosed in the Offer Document, the Group's cost of goods sold is mainly attributable to the cost of materials and direct overhead.

Looking ahead, the business may continue to be affected by external factors such as geopolitical developments, including tariffs imposed by countries, fluctuations in raw material prices and rising labour costs. With respect to the new Indonesia facility, kindly refer to the Company's response to Question 4 above.

The Company does not engage in any hedging activities or speculation on commodity prices. Accordingly, the Group's profitability may be affected by volatility in raw material prices. While the Group remains focus on prudent cost management and operational efficiency, we are not in a position to provide an estimate of profit margins for FY2026.

On environmental-friendly products & product innovation

The Board does not conduct a formal evaluation of the effectiveness of individual R&D projects, as such expenditures are not material to the Group's overall operations. Oversight is exercised at a strategic level, to ensure alignment with the Group's objectives of product innovation, sustainability, and support for customer needs.

Our research and development expenses amounted to approximately HK\$3.4 million in FY2024 and HK\$4.3 million in FY2025, representing about 0.74% and 0.83% of our cost of sales, respectively. While cost control has always been a primary consideration, the Group continues to invest in product innovation and sustainability-driven initiatives.

The Group has developed water-based adhesives with improved initial tack and bonding performance, the formulations have been refined over time to provide better initial tack and stronger bonding, supporting product innovation that aligns with end customers' needs and industry trends toward environmentally friendly and sustainable materials. In addition to our internal research and development efforts, we have collaborated with technical experts in Japan, Taiwan and Hong Kong, and worked with a leading German chemical supplier in the development of specialty adhesives, including water-based formulations.

In 2025, the Group was honoured with a Champion Award by an international athletic brand for attaining ZDHC MRSL Level 3 Certification, indicating that the chemical formulations used in its manufacturing processes do not contain substances listed on the ZDHC Manufacturing Restricted Substance List (MRSL) above the specified limits. While the Company does not have audited figures on the product mix and is therefore unable to provide precise percentages of revenue derived from eco-friendly or water-based products, or corresponding gross margins, it is able to provide qualitative insights: the Group's continuing development and adoption of green products is expected to contribute positively to sales with its existing customers, particularly those supplying to international brands, and to support alignment with market trends toward environmentally friendly and sustainable materials. The Company supplies these international brands indirectly through its customers, and specific commercial terms with these brands are confidential.

Q9. How has the current volatile geopolitical environment, including the imposition of tariffs on footwear imports into the United States, affected the group (both directly and indirectly)?

Despite sales growth in FY2025, uncertainties arising from tariffs on footwear imports into the overseas markets and intense competition in the adhesives market make it difficult for the Board to forecast sales performance for FY2026. Global footwear demand continues to rise, with stricter quality requirements and growing adoption of eco-friendly water-based adhesives favouring more competitive players. The Group's prior regional deployments have proven effective in adapting to market changes, and long-standing partnerships with key customers provide stability. The Board remains confident in the Group's long-term business prospects, while adopting a measured and prudent approach in the market conditions. Nonetheless, the volatile geopolitical environment may continue to affect the Group both directly and indirectly.

Corporate Governance

Q10. The Company has received several questions on (i) Chairman/CEO role; (ii) succession planning; and (iii) role of independent directors.

The Board notes that Mr. Jeong Un is the Chairman of the Board and Chief Executive Officer of the Company. The Board considers that this situation will not impair the balance of power and authority between the Board and the management of the Company because the balance of power and authority is governed by the operations of the Board, which comprises experienced and high-calibre individuals with demonstrated integrity. Furthermore, decisions of the Board are made by way of majority votes. The Board believes that this structure is conducive to a more precise and more prompt response to the fast-changing business environment and a more efficient management and implementation of business process. The Board also considers that vesting two roles in the same person provides the Group with strong and consistent leadership in the development and execution of the Group's business strategies and is beneficial to the Group.

In order to comply with the SG CG Code and with reference to guideline 3.3 of the SG CG Code, our Lead Independent Non-Executive Director, who is the person (i) to provide leadership in situations

where the Chairman is conflicted, and especially when the Chairman is not independent; and (ii) available to the Shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or management of the Company are inappropriate or inadequate.

Succession planning for the management will be reviewed by the Nomination Committee to determine if it is in line with the Company's strategic priorities and the long-term goals of the Group. The time frame for any potential separation of the roles of Chairman and Chief Executive Officer is not fixed, and the Board believes the current arrangement remains appropriate at this stage.

All decisions of the Board are brought forward for full discussion at Board meetings, with active participation from the Independent Directors. Enquiries raised by the Board, including those from the Independent Directors, are fully addressed by management. Key proposals, such as the SGX listing, are thoroughly deliberated and approved by all members of the Board. This process reflects the active oversight exercised by the Independent Directors and the balanced governance maintained to safeguard shareholder interests.

Others

Q11. The Company has received several questions relating to (i) the Group's approach to manufacturing and supplying products for other companies, (ii) whether the Group anticipates a significant portion of its future production being dedicated to third-party requirements in connection with its expansion in Indonesia and India; and (iii) whether the Group will expand beyond its core business.

Our business strategy continues to consolidate and strengthening relationships with our major customers, our initiatives in Indonesia, together with expansion in India, form part of the Group's strategy to support existing customers and address their evolving production requirements. These supply chain adjustments are specifically to accommodate and facilitate customers' production relocations, ensuring continuity and alignment with their operational needs.

The sales of own brand adhesive products, "Zhong Bu" and "Centresin" remains our main product lines. Production under other customers' brands is not our strategic focus and no substantive change is expected in the foreseeable future. There are currently no new business lines beyond our core operations disclosed in the Offer Document.

Q12. The company incurred IPO expenses in FY25 in relation to the Singapore listing. How much was expensed in total in FY25? How much IPO related expenses would be booked in FY26?

The estimated listing expenses as disclosed in the Offer Document was S\$2.6 million (or equivalent to approximately HK\$15.6 million). Out of this HK\$15.6 million, HK\$2.8 million and HK\$7.5 million were recorded in the financial year ended 30 September 2024 and 30 September 2025 respectively. Remaining amounts of approximately HK\$5.3 million is expected to be recorded in the financial year ending 30 September 2026.

Q13. The Company has received several questions relating to (i) return of equity ("ROE"), in view of cash position; and (ii) optimal capital structure.

The Company adopts a prudent capital management approach, maintaining a substantial net cash position and minimal debt to ensure financial stability, operational flexibility, and readiness to support the Group's growth initiatives, including the expansion plans in Indonesia and India. The Board regularly reviews the Group's capital and financial structure, taking into account external uncertainties such as geopolitical developments, tariffs, and fluctuations in oil prices, as well as the Group's

investment requirements. This review process includes monitoring cash reserves, liquidity, and the potential use of capital for initiatives such as dividends, share buybacks, and future expansion.

At present, the Company does not intend to declare any special cash dividend beyond the interim and annual distributions. The Board will also be seeking shareholders' approval for a share buyback mandate at the forthcoming annual general meeting, which provides flexibility to consider a buyback program in the future should market conditions and the Company's financial position make it appropriate. No decision has been made at this stage. Please also refer to the Company's response to Question 4 regarding capital expenditures for the new Indonesia plant.

Q14. The Company has received several questions from shareholders relating to (i) Catalist listing, and trading liquidity; and (ii) Board's assessment of a successful Catalist listing.

The listing on the SGX Catalist Board is intended to diversify the Company's shareholder base across different capital markets, particularly with investors who have a deeper understanding of the Southeast Asian market, and supports the Group's business strategies. While the Company does not set specific KPIs for the new listing, the management remains committed to maintaining the stability of the business, delivering positive growth, ensuring stable dividend distributions, and engaging with the investment community, including research analysts, to promote awareness and support liquidity of the Company's Shares.

The Catalist listing also serves broader strategic objectives, including (i) enhancing market access by providing the Company with an additional platform to raise capital for regional expansion and growth initiatives; (ii) attracting a more diversified investor mix, including institutional and regional investors who understand the Group's core markets and long-term growth potential; and (iii) supporting medium-term growth plans by strengthening the Company's public profile and facilitating future funding opportunities, if required.

The Board will continue to monitor developments to evaluate how the Catalist listing contributes to these strategic objectives over time.

Q15. What is the company's dividend payout policy going forward?

The Company's dividend policy has been disclosed on page 50 and 51 of the annual report, under the "Corporate Governance Report".

By Order of the Board
Infinity Development Holdings Company Limited
Ip Ka Lun
Executive Director

23 January 2026

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Xandar Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the SGX-ST. It has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr. Loo Chin Keong (Registered Professional) at 3 Shenton Way, #24-02 Shenton House, Singapore 068805. Telephone number: (65) 6319 4955.*