INFINITY DEVELOPMENT HOLDINGS COMPANY LIMITED
星謙發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 640)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31 MARCH 2025

The board (the "**Board**") of directors (the "**Directors**") of Infinity Development Holdings Company Limited (the "**Company**") is pleased to announce its unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 31 March 2025, together with the comparative figures for the corresponding six months ended 31 March 2024, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 31 March 2025

		Six months ended 31 March	
	Note	**2025** ***HK$'000*** **(Unaudited)**	2024 *HK$'000* (Unaudited)
Revenue	*4*	**409,306**	332,498
Cost of goods sold		**(255,912)**	(207,580)
Gross profit		**153,394**	124,918
Other income		**5,331**	6,087
Other gains and losses		**5,881**	896
Allowances for trade, bills and other receivables		**(3,000)**	(5,000)
Selling and distribution costs		**(25,274)**	(22,622)
Administrative expenses		**(65,548)**	(53,005)
Profit from operations		**70,784**	51,274
Finance costs		**(934)**	(1,357)
Share of (losses)/profits of associates		**(150)**	752
Profit before tax		**69,700**	50,669
Income tax expense	*5*	**(13,091)**	(9,678)
Profit for the period attributable to owners of the Company	*6*	**56,609**	40,991
Earnings per share			
– Basic	*8(a)*	**HK10.05 cents**	HK7.28 cents
– Diluted	*8(b)*	**Not applicable**	Not applicable

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 March 2025

	Six months ended 31 March	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit for the period	**56,609**	40,991
Other comprehensive income:		
Item that will not be reclassified to profit or loss:		
Fair value changes of equity instruments at fair value through other comprehensive income ("**FVTOCI**")	**279**	97
Items that may be reclassified to profit or loss:		
Reclassification adjustment for amount transferred to profit or loss upon disposal of debt instruments at FVTOCI	**–**	83
Exchange differences on translating foreign operations	**(18,863)**	123
	(18,863)	206
Other comprehensive income for the period, net of tax	**(18,584)**	303
Total comprehensive income for the period attributable to owners of the Company	**38,025**	41,294

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2025

	Note	At 31 March 2025 HK$'000 (Unaudited)	At 30 September 2024 HK$'000 (Audited)
Non-current assets			
Investment properties		**3,000**	3,000
Property, plant and equipment		**79,563**	84,300
Right-of-use assets		**40,841**	39,421
Intangible assets		**5,246**	5,632
Investments in associates		**9,121**	9,271
Club debentures		**1,080**	1,080
Financial assets at FVTOCI		**3,056**	2,777
Deposits for acquisition of property, plant and equipment		**55,600**	30,876
Total non-current assets		**197,507**	176,357
Current assets			
Inventories		**74,942**	71,459
Trade, bills and other receivables	*9*	**204,191**	218,323
Debt instruments at amortised cost		**13,360**	10,023
Restricted bank deposits		**21,461**	21,382
Bank and cash balances		**321,728**	321,885
Total current assets		**635,682**	643,072
Current liabilities			
Trade, bills and other payables	*10*	**157,324**	152,023
Lease liabilities		**2,867**	1,739
Bank loans		**31,000**	39,000
Current tax liabilities		**37,408**	32,370
Total current liabilities		**228,599**	225,132
Net current assets		**407,083**	417,940
Total assets less current liabilities		**604,590**	594,297
Non-current liabilities			
Lease liabilities		**5,110**	2,732
Deferred tax liabilities		**8,313**	8,002
Total non-current liabilities		**13,423**	10,734
Net assets		**591,167**	583,563
Capital and reserves			
Share capital		**5,634**	5,634
Reserves		**585,533**	577,929
Total equity		**591,167**	583,563

NOTES

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability. The address of its registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, the Cayman Islands. The addresses of its principal places of business in Hong Kong Special Administrative Region ("**Hong Kong**") and Macao Special Administrative Region ("**Macau**") of the People's Republic of China (the "**PRC**") are Units 2201-2202, 22/F., Alliance Building, 133 Connaught Road Central, Hong Kong and Rua de Pequim No. 202A-246, Macau Finance Centre, 16 Andar A-D, Macau, respectively. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company. The Group is principally engaged in manufacturing and selling of adhesives, primers, hardeners and vulcanised shoes adhesive related products used by the footwear manufacturers.

2. BASIS OF PREPARATION

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

The condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 30 September 2024. The accounting policies (including the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of the condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 30 September 2024.

3. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

(a) New and amended standards adopted by the Group

The Group has applied the following amendments for the first time from 1 October 2024:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Hong Kong Accounting Standard 1;
- Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause – HK Interpretation 5 (Revised);
- Lease Liability in a Sale and Leaseback – Amendments to HKFRS 16; and
- Supplier Finance Arrangements – Amendments to HKAS 7 and HKFRS 7.

As a result of the adoption of the amendments to HKAS 1, the Group changed its accounting policy for the classification of borrowings as below:

"Borrowings are classified as current liabilities unless at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period."

This new policy did not result in a change in the classification of the Group's borrowings. The Group did not make retrospective adjustments as a result of adopting the amendments to HKAS 1.

Except for those mentioned above, the Group did not change its accounting policies or make retrospective adjustments as a result of adopting other amended standards or revised interpretation.

(b) Impact of new and amended standards issued but not yet adopted by the Group

In September 2023, the HKICPA amended HKAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. These new requirements will apply for annual reporting periods beginning on or after 1 October 2025. The management does not expect the amendment to have a material impact on the consolidated financial statements.

In July 2024, the HKICPA issued HKFRS 18 which is effective for annual reporting periods beginning on or after 1 October 2027, with early application permitted. HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss; (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-generally accepted accounting principles performance measures); and (iii) enhanced requirements for aggregation and disaggregation of information. The management is currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Operating segment information

The Group has only one operating and reportable segment. Management determines the operating segment based on the information reported to the Group's chief operating decision makers ("**CODMs**") (i.e. the executive Directors). The CODMs assess the operating performance and allocate the resources of the Group as a whole as the Group is principally engaged in the manufacturing and selling of adhesives, primers, hardeners and vulcanised shoes adhesive related products used by the footwear manufacturers.

No analysis of segment assets and liabilities is presented because the CODMs do not base on such analysis for resource allocation and performance assessment.

	Six months ended 31 March	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
– Sales of goods	**409,306**	332,498

5. INCOME TAX EXPENSE

	Six months ended 31 March 2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current tax		
Provision for the period		
– PRC Enterprise Income Tax ("**PRC EIT**")	**785**	190
– Macau Complementary Tax	**7,998**	6,096
– Vietnam Enterprise Income Tax ("**Vietnam EIT**")	**3,430**	1,278
– Indonesia Corporate Income Tax ("**Indonesia CIT**")	**3,083**	1,224
	15,296	8,788
Over-provision in prior period		
– Macau Complementary Tax	**(2,168)**	(226)
– Vietnam EIT	**(348)**	(354)
	(2,516)	(580)
	12,780	8,208
Deferred tax	**311**	1,470
	13,091	9,678

PRC EIT, Macau Complementary Tax, Vietnam EIT, Indonesia CIT, Singapore Corporate Income Tax ("**Singapore CIT**"), India Corporate Income Tax ("**India CIT**") and Taiwan Corporate Income Tax ("**Taiwan CIT**") are calculated at the applicable rates in accordance with the relevant laws and regulations in the respective jurisdictions.

Except for the concessionary PRC EIT rate applicable to a subsidiary of the Company in the PRC as described below, other subsidiaries of the Company in the PRC are subject to PRC EIT at a rate of 25% (six months ended 31 March 2024: 25%) during the six months ended 31 March 2025. No provision for PRC EIT has been made as other subsidiaries of the Company in the PRC have no assessable profits during the six months ended 31 March 2025 and 2024.

Pursuant to the relevant laws and regulations in the PRC, Zhuhai Centresin Chemical Product Company Limited# ("**Zhuhai Centresin**"), a subsidiary of the Company in the PRC, is recognised as a High and New Technology Enterprise by the relevant PRC government authorities and Zhuhai Centresin was therefore entitled to enjoy a concessionary PRC EIT rate of 15% (six months ended 31 March 2024: 15%) during the six months ended 31 March 2025. Provision of PRC EIT of Zhuhai Centresin for the six months ended 31 March 2024 was based on the assessable profits for the period less tax losses brought forward.

The official name of this entity is in Chinese. The English translation is for identification purpose only. For the official name of this entity in Chinese, please refer to the Chinese version of this interim results announcement.

Pursuant to the relevant laws and regulations in Macau, entities are divided into Group A ("**Group A**") and Group B ("**Group B**") taxpayers. Group A taxpayers are companies that have maintained proper accounting books and records, with capital of Macanese Pataca ("**MOP**") 1,000,000 and above or average assessed annual taxable profits in the past 3 years of more than MOP1,000,000. Group B taxpayers are those who do not meet the criteria mentioned above. Group A taxpayers are assessed based on their actual taxable profits and Group B taxpayers are assessed based on deemed profits ascertained by the Macau Finance Bureau. The Group has Group A taxpayers and Group B taxpayers. Macau Complementary Tax for Group A taxpayers and Group B taxpayers is calculated at a rate of 12% (six months ended 31 March 2024: 12%) on the actual taxable profits above MOP600,000 and 12% (six months ended 31 March 2024: 12%) on the deemed profits above MOP600,000 during the six months ended 31 March 2025, respectively.

Pursuant to the relevant laws and regulations in the Socialist Republic of Vietnam ("**Vietnam**"), subsidiaries of the Company in Vietnam are subject to Vietnam EIT at 20% (six months ended 31 March 2024: 20%) during the six months ended 31 March 2025.

Pursuant to the relevant laws and regulations in the Republic of Indonesia ("**Indonesia**"), subsidiaries of the Company in Indonesia are subject to Indonesia CIT at 22% (six months ended 31 March 2024: 22%) during the six months ended 31 March 2025.

Pursuant to the relevant laws and regulations in the Republic of Singapore ("**Singapore**"), Zhong Bu Development Singapore Pte. Ltd. ("**Zhong Bu Singapore**"), a subsidiary of the Company in Singapore, is subject to Singapore CIT at 17% (six months ended 31 March 2024: 17%) during the six months ended 31 March 2025. No provision for Singapore CIT has been made as Zhong Bu Singapore has no assessable profits during the six months ended 31 March 2025 and 2024.

Pursuant to the relevant laws and regulations in the Republic of India ("**India**"), Zhong Bu Development India Private Ltd. ("**Zhong Bu India**"), a subsidiary of the Company in India, is subject to India CIT at 25% during the six months ended 31 March 2025. No provision for India CIT has been made as Zhong Bu India has no assessable profits during the six months ended 31 March 2025.

Pursuant to the relevant laws and regulations in Taiwan, Zhong Bu Development Taiwan Co., Ltd. ("**Zhong Bu Taiwan**"), a subsidiary of the Company in Taiwan, is subject to Taiwan CIT at 20% on the assessable profits above New Taiwan Dollar 120,000 during the six months ended 31 March 2025. No provision for Taiwan CIT has been made as Zhong Bu Taiwan has no assessable profits during the six months ended 31 March 2025.

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in nor is derived from Hong Kong during the six months ended 31 March 2025 and 2024.

6. PROFIT FOR THE PERIOD

The Group's profit for the period is stated after charging the following:

	Six months ended 31 March	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Allowances for trade, bills and other receivables	**3,000**	5,000
Allowances for inventories	**7,695**	7,786
Depreciation		
– property, plant and equipment	**5,630**	5,804
– right-of-use assets	**1,535**	1,826
Written off of property, plant and equipment	**366**	–
Loss on disposal of debt instruments at FVTOCI	**–**	40

7. DIVIDENDS

	Six months ended 31 March	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Final dividend for the year ended 30 September 2024 approved and paid – HK5.4 cents (year ended 30 September 2023: HK3.3 cents approved and paid) per ordinary share	**30,421**	18,590
Special dividend for the year ended 30 September 2024 – HK$Nil (year ended 30 September 2023: HK0.8 cents approved and paid) per ordinary share	**–**	4,507
	30,421	23,097

At the Board meeting held on 28 May 2025, the Board declared an interim dividend of HK5.1 cents (six months ended 31 March 2024: HK3.6 cents) per ordinary share totalling approximately HK$28,731,000 (six months ended 31 March 2024: HK$20,281,000) for the six months ended 31 March 2025.

8. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the following:

	Six months ended 31 March	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit for the purpose of calculating basic earnings per share	**56,609**	40,991

	Six months ended 31 March	
	2025	2024
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**563,351**	563,351

(b) Diluted earnings per share

No diluted earnings per share is presented as the Company did not have any dilutive potential ordinary shares during the six months ended 31 March 2025 and 2024.

9. TRADE, BILLS AND OTHER RECEIVABLES

The ageing analysis of trade and bills receivables, based on the invoice date, and net of allowances, is as follows:

	At 31 March 2025 ***HK$'000*** **(Unaudited)**	At 30 September 2024 *HK$'000* (Audited)
0 to 90 days	**154,793**	186,455
91 to 180 days	**33,426**	22,438
181 to 365 days	**1,868**	1,192
	190,087	210,085

10. TRADE, BILLS AND OTHER PAYABLES

The ageing analysis of trade and bills payables, based on the date of receipt of goods, is as follows:

	At 31 March 2025 ***HK$'000*** **(Unaudited)**	At 30 September 2024 *HK$'000* (Audited)
0 to 90 days	**43,710**	55,516
Over 91 days	**300**	26
	44,010	55,542

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The revenue of the Group for the six months ended 31 March 2025 and 2024 were approximately HK$409,306,000 and approximately HK$332,498,000 respectively, representing an increase of approximately 23.1%.

The increase in the revenue was mainly due to the increase in the revenue contribution in all geographical regions for the six months ended 31 March 2025.

Gross profit

The gross profit of the Group for the six months ended 31 March 2025 and 2024 were approximately HK$153,394,000 and approximately HK$124,918,000 respectively, representing an increase of approximately 22.8%.

The increase in the gross profit was mainly due to the increase in the revenue as mentioned above.

Selling and distribution costs

The selling and distribution costs of the Group for the six months ended 31 March 2025 and 2024 were approximately HK$25,274,000 and approximately HK$22,622,000 respectively, representing an increase of approximately 11.7%.

The increase in the selling and distribution costs was mainly due to the increase in the revenue as mentioned above.

Administrative expenses

The administrative expenses of the Group for the six months ended 31 March 2025 and 2024 were approximately HK$65,548,000 and approximately HK$53,005,000 respectively, representing an increase of approximately 23.7%.

The increase in the administrative expenses was mainly attributable to the increase in the employee benefits expense for the six months ended 31 March 2025.

Profit for the period attributable to owners of the Company

As a result of the abovementioned, the profit for the period attributable to owners of the Company for the six months ended 31 March 2025 and 2024 were approximately HK$56,609,000 and approximately HK$40,991,000 respectively, representing an increase of approximately 38.1%.

BUSINESS REVIEW AND PROSPECTS

Businesses

For the six months ended 31 March 2025, the Group was principally engaged in manufacturing and selling of adhesives, primers, hardeners and vulcanised shoes adhesive related products used by the footwear manufacturers.

As at 31 March 2025, the Group had three manufacturing plants in the PRC, Vietnam and Indonesia, respectively. After the acquisition of a piece of land (the "**Land**") in Indonesia for industrial use in April 2022 as disclosed in the Company's announcement dated 13 April 2022, the Group is now in the process of construction of the new manufacturing plant (the "**New Manufacturing Plant**") on the Land as disclosed in the Company's announcements dated 24 April 2024 and 25 April 2024. As further disclosed in the Company's announcement dated 19 November 2024, the Group contracted to acquire machinery and production equipment; and certain pipeline, instrument and electrical works for the New Manufacturing Plant. Upon completion of the New Manufacturing Plant, the Group believes that it would better serve its customers by improving its costs competitiveness and freight time advantages, and further solidify its core business. If necessary, the Group will consider to further expand its existing manufacturing facilities and implement any new manufacturing plants to satisfy its prestige customers' needs.

Cost control

The Group will continue to carefully review and extensively investigate the current situation of costs and resources deployment. In response to the uncertainties arising from both of the tariff and the severe competition in the adhesive related market, the Group will consider to strengthen its control over the operational costs proactively and effectively in the short term.

Research and development

The Group is always environmental-oriented and continuously dedicated to developing high quality products to satisfy the market needs; and closely monitors the future development direction of the market to research and develop products continuously in order to satisfy the needs of future development in the industry. In addition to its own research and development team, the Group also cooperated with some internationally well-known chemical corporations (including those from Germany and Japan) to develop new products and entered into technology cooperation agreements with several sophisticated technology experts in the industry (including those from countries and regions such as Japan, Taiwan and Hong Kong). Hopefully, through the above measures, it will strengthen the competence in research and development capabilities of the Group so as to maintain its technological leading position in the industry.

Prospects

Short to medium term outlook: In view of the uncertainties arising from both of the tariff and the severe competition in the adhesive related market, it is difficult for the Board to predict the sales performance of the Group in 2025.

Medium to long term outlook: As the global demand for footwear is still growing continually, more stringent requirement from the manufacturers for the quality of adhesives would gradually eliminate industry players with less competitiveness and the demand for the use of environmental water-based adhesive products by footwear brands and manufacturers will still be growing, the effect of the previous regional deployments of the Group has become prominent in response to the market changes. The Group has been maintaining partner relationship with its prestige customers for a number of years. As such, the Board expects that the growth of the Group's sales in the medium to long term will remain stable. The Group will continue to devote necessary resources to further increase its market share if feasible.

Leveraging on the Group's solid experience accumulated over the years, its high quality products recognised by the market and its competence in research and development capabilities, the Group will continue to commit to its core business. The Group will also consider to invest and develop its OEM business in a proactive manner in order to broaden its revenue base.

Looking ahead, the Board will remain prudent about the prospects of the Group's core business in the long term. The Group will follow a very cautious approach to ensure corporate sustainability in 2025. In 2025, the Group will monitor its working capital management closely. The Group will also closely and carefully monitor the latest development of the footwear manufacturing industry and its core business; and the latest development of the tariff and adhesive related market and adjust its business strategies from time to time if required.

DEBTS AND CHARGE ON ASSETS

As at 31 March 2025, the Group had interest-bearing bank borrowings of HK$31,000,000 (30 September 2024: HK$39,000,000). As at 31 March 2025, the Group's banking facilities were secured by (i) the Group's restricted bank deposits of approximately HK$21,461,000 (30 September 2024: approximately HK$21,382,000); and (ii) a corporate guarantee executed by the Company.

In addition, one of the lease agreements was guaranteed by the Company as at 31 March 2025.

The Group currently does not have any interest rate hedging policy while the Group pays vigilant attention to and monitors interest rate risks continuously and cautiously.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has normally funded the liquidity and capital requirements primarily through net cash generated from its operating activities.

As at 31 March 2025, the Group had restricted bank deposits of approximately HK$21,461,000 (30 September 2024: approximately HK$21,382,000). As at 31 March 2025, the Group had interest-bearing bank borrowings of HK$31,000,000 (30 September 2024: HK$39,000,000) and lease liabilities of approximately HK$7,977,000 (30 September 2024: approximately HK$4,471,000). Therefore, as at 31 March 2025, the gearing ratio (defined as the total of bank borrowings and lease liabilities divided by total equity) of the Group was approximately 6.6% (30 September 2024: approximately 7.4%). As at 31 March 2025, the current ratio of the Group was approximately 2.8 (30 September 2024: approximately 2.9).

FOREIGN EXCHANGE EXPOSURE

The Group has certain exposure to foreign currency risks as (i) most of the Group's business transactions are denominated in United States dollars; and (ii) the Group's assets and liabilities are principally derived from our overseas operations and mainly denominated in United States dollars, Renminbi and Vietnam Dong. The Group expects that Hong Kong dollars will continue to be pegged to United States dollars. As such, the Group expects that Hong Kong dollars will not have material fluctuations against foreign currencies which might materially affect the Group's operations. For the six months ended 31 March 2025, the Group did not employ any financial instruments for hedging purpose. The Group monitors its foreign currency exposure closely and will consider adopting hedging policy should the need arise.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS

Save as disclosed elsewhere in this interim results announcement, for the six months ended 31 March 2025, the Group did not have any significant investments, material acquisitions or disposals.

Save as disclosed elsewhere in this interim results announcement, there was no formal plan authorised by the Board for any significant investments, material acquisitions or disposals as at 31 March 2025 and up to the date of this interim results announcement.

CAPITAL COMMITMENTS

As at 31 March 2025, the Group had capital commitments of approximately HK$35,950,000 (30 September 2024: approximately HK$51,347,000) in respect of acquisitions of property, plant and equipment.

CONTINGENT LIABILITIES

As at 31 March 2025, the Group did not have any significant contingent liabilities (30 September 2024: Nil).

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in this interim results announcement, there have been no other material events occurring after the reporting period and up to the date of this interim results announcement.

EMPLOYEE AND REMUNERATION POLICY

As at 31 March 2025, the Group employed a total of 431 (30 September 2024: 423) employees. It is the policy of the Group to provide a regular review on its employees' pay levels, performance bonus system and other fringe benefits (including social insurance and training sponsorship) to ensure that the remuneration policy is competitive within the relevant industry. For the six months ended 31 March 2025, the employee benefits expense (including the Directors' emoluments) amounted to approximately HK$61,208,000 (six months ended 31 March 2024: approximately HK$48,220,000).

The remuneration policy for the Directors is based on their experience, level of responsibilities, lengths of services and general market conditions and has been reviewed by the remuneration committee of the Company. Any discretionary bonus and other merit payments are linked to the financial results of the Group and the individual performance of the Directors.

No share option scheme has been adopted by the Company since 22 July 2020.

INVESTMENTS OF THE GROUP

Except for investments in associates and financial assets at FVTOCI held by the Group, the Group did not have any significant investments as at 31 March 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERIM DIVIDEND

The Board has declared an interim dividend of HK5.1 cents (six months ended 31 March 2024: HK3.6 cents) per ordinary share for the six months ended 31 March 2025 to the shareholders of the Company (the "**Shareholders**") whose names appear on the register of members of the Company on Tuesday, 17 June 2025. The interim dividend will be payable to the Shareholders on Friday, 27 June 2025.

CHANGES IN DIRECTORS' INFORMATION

The changes in the Directors' information since the disclosure made in the 2024 annual report of the Company are set out below:

(i) Mr. Tong Hing Wah has ceased to be the independent non-executive Director, the chairman of the audit committee of the Company (the "**Audit Committee**") and a member of each of the remuneration committee and nomination committee of the Company with effect from 14 February 2025; and

(ii) Ms. Li Sin Man has been appointed as the chairlady of the Audit Committee with effect from 14 February 2025.

Save for the information disclosed above, there is no other information required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

CORPORATE GOVERNANCE PRACTICES

Save as disclosed below, for the six months ended 31 March 2025, the Company complied with the code provisions, where applicable, as set out in Part 2 of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules.

In respect of code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual for a balance of power and authority. Mr. Ieong Un is the chairman of the Board and chief executive officer of the Company. He is the founder of the Group, the substantial Shareholder and the controlling Shareholder and has considerable experience in the adhesive related industry. 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 caliber 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 promptly 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.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. All the existing Directors have confirmed, following specific enquiry by the Company, their compliance with the required standard as set out in the Model Code throughout the six months ended 31 March 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the six months ended 31 March 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

REVIEW OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Audit Committee comprises three independent non-executive Directors with written terms of reference in accordance with the requirements of the Listing Rules, and reports to the Board. The Audit Committee has reviewed and discussed with the Group's management the condensed consolidated financial statements of the Group for the six months ended 31 March 2025. RSM Hong Kong, the Company's auditor, has reviewed the condensed consolidated financial statements of the Group for the six months ended 31 March 2025 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange and the Company. The interim report of the Company for the six months ended 31 March 2025 will be published on the above websites and despatched to the Shareholders (if requested) in due course.

APPRECIATION

On behalf of the Board, I would like to extend sincere gratitude to all patrons, suppliers, business partners and the Shareholders for their support and patience during the period. May I also salute to our managers at all levels and dedicated staff of the Company for their invaluable contributions and diligent efforts during the period.

By Order of the Board
Infinity Development Holdings Company Limited
Ieong Un
Chairman and Chief Executive Officer

Hong Kong, 28 May 2025

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Ieong Un, Mr. Ip Chin Wing, Mr. Ip Ka Lun and Mr. Stephen Graham Prince; and three independent non-executive Directors, namely Mr. Chan Wing Yau George, Mr. Simon Luk and Ms. Li Sin Man.