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**Hong Kong Johnson Holdings Co., Ltd.**

**香港莊臣控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1955)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025**

The board (the “**Board**”) of directors (the “**Directors**”) of Hong Kong Johnson Holdings Co., Ltd. (the “**Company**”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 September 2025 (the “**Period**”), together with the comparative figures for the corresponding period of 2024 as follows:

	<b>Six months ended 30 September</b>		
	<b>2025</b>	<b>2024</b>	<b>Change</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	
	<b>(unaudited)</b>	<b>(unaudited)</b>	
Revenue	<b>1,576,054</b>	714,234	120.7%
Gross profit	<b>57,771</b>	43,786	31.9%
Gross profit margins (%)	<b>3.7%</b>	6.1%	(2.4%)
Profit and other comprehensive income for the period attributable to the equity holders of the Company	<b>7,143</b>	9,233	(22.6%)

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		<b>Six months ended</b>	
		<b>30 September</b>	
		<b>2025</b>	2024
		<b>HK\$'000</b>	HK\$'000
	<i>Notes</i>	<b>(unaudited)</b>	(unaudited)
<b>Revenue</b>	5	<b>1,576,054</b>	714,234
Cost of services		<u><b>(1,518,283)</b></u>	<u>(670,448)</u>
<b>Gross profit</b>		<b>57,771</b>	43,786
Other income	6	<b>439</b>	4,553
Other gains, net		<b>232</b>	228
(Provision)/reversal of allowance for account receivables		<b>(50)</b>	840
Administrative expenses		<u><b>(47,445)</b></u>	<u>(38,704)</u>
<b>Profit from operations</b>		<b>10,947</b>	10,703
Finance costs	7	<u><b>(2,190)</b></u>	<u>(485)</u>
<b>Profit before tax</b>		<b>8,757</b>	10,218
Income tax expense	8	<u><b>(1,614)</b></u>	<u>(985)</u>
<b>Profit and other comprehensive income for the period attributable to equity holders of the Company</b>		<u><b>7,143</b></u>	<u>9,233</u>
<b>Earnings per share attributable to equity holders of the Company</b>			
Basic and diluted (HK cents per share)	11	<u><b>1.4</b></u>	<u>1.8</u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2025

		At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
	<i>Notes</i>		
<b>Non-current assets</b>			
Property, plant and equipment	12	200,258	107,841
Right-of-use assets		19,646	20,219
Financial assets at fair value through profit or loss (“FVTPL”)		13,139	12,921
Deferred tax assets		29	124
<b>Total non-current assets</b>		<u>233,072</u>	<u>141,105</u>
<b>Current assets</b>			
Account receivables	13	849,262	422,158
Prepayments, deposits and other receivables		35,239	20,699
Current tax assets		2,507	2,507
Inventories		3,328	3,962
Pledged bank deposits		29,627	29,342
Bank and cash balances		261,271	302,569
<b>Total current assets</b>		<u>1,181,234</u>	<u>781,237</u>
<b>Current liabilities</b>			
Account payables	14	45,911	29,857
Accruals, other payables and provisions		359,420	265,959
Dividend payable		4,350	–
Bank and other borrowings	15	378,082	6,526
Lease liabilities		2,526	2,168
<b>Total current liabilities</b>		<u>790,289</u>	<u>304,510</u>
<b>Net current assets</b>		<u>390,945</u>	<u>476,727</u>
<b>Total assets less current liabilities</b>		<u>624,017</u>	<u>617,832</u>

		At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
<b>Non-current liabilities</b>			
Provisions		741	541
Bank and other borrowings	15	–	1,453
Lease liabilities		3,126	–
Deferred tax liabilities		9,627	8,108
		<hr/>	<hr/>
<b>Total non-current liabilities</b>		<b>13,494</b>	10,102
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>610,523</b>	607,730
		<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>			
Share capital	16	5,000	5,000
Reserves		605,523	602,730
		<hr/>	<hr/>
<b>TOTAL EQUITY</b>		<b>610,523</b>	607,730
		<hr/> <hr/>	<hr/> <hr/>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 September 2025*

## 1. GENERAL INFORMATION

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 9 July 2018. The address of its registered office in the Cayman Islands is 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands. The address of its registered office and principal place of business in Hong Kong is 11/F, China Aerospace Centre, 143 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are engaged in provision of cleaning, janitorial and other related services.

## 2. BASIS OF PREPARATION

These 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 disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 March 2025. Except as described below, the accounting policies (including the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 March 2025.

## 3. AMENDED HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

### (a) Amended standards adopted by the Group

The Group has applied the amendments to HKAS 21 “Lack of Exchangeability” for the first time from 1 April 2025. The Group did not change its accounting policies or make retrospective adjustments as a result of adopting the abovementioned amended standard.

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

In July 2024, HKICPA issued HKFRS 18 which is effective for annual reporting period beginning on or after 1 January 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-GAAP 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 disclosure of the consolidated financial statements.

**4. SEGMENT INFORMATION**

The Group has carried on a single business, which is provision of cleaning, janitorial and other related services in Hong Kong. Accordingly, there is only one single reportable segment of the Group which is regularly reviewed by the chief operating decision maker.

**Geographical information:**

No geographical information is presented as all of the Group's business is carried out in Hong Kong and the Group's revenue from external customers is generated and non-current assets are located in Hong Kong during the period.

**5. REVENUE**

The Group's operations and main revenue streams are those described in the last annual consolidated financial statements for the year ended 31 March 2025. The Group's revenue is derived from cleaning, janitorial and other related services income.

**Disaggregation of revenue:**

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Cleaning, janitorial and other related services income	<u>1,576,054</u>	<u>714,234</u>
<b>Timing of revenue recognition</b>		
Services transferred over time	<u>1,576,054</u>	<u>714,234</u>

## 6. OTHER INCOME

	Six months ended	
	30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Interest income	382	4,492
Dividend income from financial assets at FVTPL	57	61
	<u>439</u>	<u>4,553</u>

## 7. FINANCE COSTS

	Six months ended	
	30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Interest on lease liabilities	94	159
Interest on bank and other borrowings	2,096	326
	<u>2,190</u>	<u>485</u>

## 8. INCOME TAX EXPENSE

	Six months ended	
	30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Current tax – Hong Kong Profits Tax Provision for the period	–	903
Deferred tax	1,614	82
	<u>1,614</u>	<u>985</u>

Pursuant to the laws and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in these jurisdictions.

Hong Kong Profits Tax has been provided at a rate of 16.5% on the estimated assessable profit for the six months ended 30 September 2025 and 2024.

## 9. PROFIT FOR THE PERIOD

The Group's profit for the period is stated at after charging/(crediting) the followings:

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	19,529	10,468
Depreciation of right-of-use assets	1,582	2,463
Gain on disposals of property, plant and equipment, net	(14)	(92)
Provision/(reversal) of allowance for account receivables	50	(840)
Expenses relating to short-term lease payments	816	223
	<u>          </u>	<u>          </u>

## 10. DIVIDENDS

The directors do not declare any interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

The final dividend of 0.87 HK cents per ordinary share for the year ended 31 March 2025 was approved by the shareholders at the annual general meeting of the Company held on 4 September 2025 and was subsequently paid on 10 October 2025.

## 11. EARNINGS PER SHARE

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

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<b>Earnings</b>		
Profit for the period attributable to equity holders of the Company for the purpose of calculating basic earnings per share	7,143	9,233
	<u>          </u>	<u>          </u>
	2025	2024
	'000	'000
	(unaudited)	(unaudited)
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	500,000	500,000
	<u>          </u>	<u>          </u>

The weighted average numbers of ordinary shares used as denominator for calculating the basic and diluted earnings per share are the same as there were no dilutive potential ordinary shares in issue for the six months ended 30 September 2025 and 2024.

## 12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired property, plant and equipment of approximately HK\$107,426,000 (six months ended 30 September 2024: HK\$11,021,000).

## 13. ACCOUNT RECEIVABLES

	At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
Account receivables	851,367	424,213
Allowance for account receivables	<u>(2,105)</u>	<u>(2,055)</u>
	<u>849,262</u>	<u>422,158</u>

The ageing analysis of account receivables, based on invoice date, is as follows:

	At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
Up to 90 days	815,096	380,452
91 to 180 days	24,717	25,767
181 days to 1 year	9,247	10,779
Over 1 year	<u>2,307</u>	<u>7,215</u>
	<u>851,367</u>	<u>424,213</u>

## 14. ACCOUNT PAYABLES

The ageing analysis of account payables, based on the date of receipt of goods or services, is as follows:

	At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
Up to 30 days	37,134	19,057
31 to 60 days	4,324	9,905
61 to 90 days	3,171	800
Over 90 days	<u>1,282</u>	<u>95</u>
	<u>45,911</u>	<u>29,857</u>

## 15. BANK AND OTHER BORROWINGS

The bank and other borrowings are repayable as follows:

	At 30 September 2025 <i>HK\$'000</i> (unaudited)	At 31 March 2025 <i>HK\$'000</i> (audited)
Within one year	378,082	6,526
More than one year, but not exceeding two years	–	1,453
More than two years, but not more than five years	–	–
	<u>378,082</u>	<u>7,979</u>
Less: Amount due for settlement within 12 months (shown under current liabilities)	<u>(378,082)</u>	<u>(6,526)</u>
Amount due for settlement after 12 months (shown under non-current liabilities)	<u>–</u>	<u>1,453</u>

The interest rates per annum are as follows:

	At 30 September 2025 (unaudited)	At 31 March 2025 (audited)
Factoring loans	HIBOR +1.0% to HIBOR +1.3%	–
Other borrowings	4.23% to 4.72%	4.24% to 4.92%

## 16. SHARE CAPITAL

	Number of shares	Amount <i>HK\$'000</i>
Authorised: Ordinary shares of HK\$0.01 each		
At 31 March 2025 (audited) and 30 September 2025 (unaudited)	<u>3,000,000,000</u>	<u>30,000</u>
Issued and fully paid: Ordinary shares of HK\$0.01 each		
At 31 March 2025 (audited) and 30 September 2025 (unaudited)	<u>500,000,000</u>	<u>5,000</u>

## 17. CONTINGENT LIABILITIES

### (a) Performance bonds

As at 30 September 2025 and 31 March 2025, there were contingent liabilities in respect of performance bonds relating to deposits for cleaning, janitorial and other related service projects and an employment compensation insurance contract issued by banks for the Group amounting to approximately HK\$319,257,000 (unaudited) and HK\$257,080,000 (audited), respectively. The performance bonds were secured by the Group's pledged bank deposits and financial assets at FVTPL and were guaranteed by the Company.

### (b) Litigations

As at 30 September 2025 and 31 March 2025, the Group has been involved in several on-going litigations and claims concerning personal injuries of its existing or former employees and third parties with estimated claim amounts, net of estimated insurance deductibles, of approximately HK\$2,538,000 (unaudited) and HK\$2,956,000 (audited), respectively. In the opinion of the directors of the Company, the provision of insurance deductibles had been provided based on insurance policies. The estimated costs and expenses above the insurance deductibles are expected to be adequately covered by the Group's insurance policies.

## 18. RELATED PARTY TRANSACTIONS

(a) The Group had the following transaction with its related party during the period:

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Purchase of property, plant and equipment from a related company ( <i>note</i> )	1,392	–
Compliance advisor fee paid to a related company ( <i>note</i> )	180	180

*Note:* The related company and the Company have a common controlling shareholder – Zhuhai Huafa Group Company Limited.

(b) The remuneration of directors and other members of key management personnel during the period is as follows:

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Basic salaries and allowances	3,159	2,696
Bonuses	2,594	783
Retirement benefit scheme contributions	104	100
	<u>5,857</u>	<u>3,579</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### RESULTS

Hong Kong Johnson Holdings Co., Ltd. (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) is a leading environmental hygiene service provider with coverage spanning across Hong Kong Island, Kowloon and the New Territories, providing cleaning services including building and campus cleaning, park and recreation center cleaning, street cleaning, disinfection services, pest management services, garbage logistics services and security guarding services.

The Group recorded revenue of approximately HK\$1,576.1 million for the six months ended 30 September 2025 (the “**Period**”), representing an increase of 120.7% compared with the corresponding period last year. The Group’s overall gross profit margin decreased from approximately 6.1% to 3.7%. Profit attributable to equity holders of the Company decreased by approximately HK\$2.1 million or 22.6% from approximately HK\$9.2 million for the six months ended 30 September 2024 to approximately HK\$7.1 million for the Period.

### BUSINESS REVIEW AND PROSPECTS

During the Period, the business environment still faces pressure due to the factors such as the continuing geopolitical tension and the persistently high international oil prices. Together with the sustained deepening trend of “travelling to Chinese Mainland for spending”, the overall consumption in the market remained weak, bringing challenges to the strength and speed of Hong Kong’s economic recovery. The weakened economic environment has caused various industries to face multiple operating pressures and continuously affected customers’ procurement preferences. Some market players in the cleaning service industry which were originally not in the government cleaning service market shifted their focuses to acquire government customers. This intensified the competition and exerted continued downward pressure on the cleaning service industry’s gross profit margin. In addition, relevant uncontrollable factors including frequent natural disasters such as typhoons and rainstorms during the Period not only enhanced the workload of frontline staff but also significantly increased additional labour costs.

Despite these unfavorable circumstances, the Group has maintained steady operations against all odds. The Group continues to optimize its bidding strategy, and is actively recruiting talents to strengthen its high-end commercial sector team, the Group also strives to improve service quality to expand income sources in the highly competitive government market sector. As at 30 September 2025, the contract amount on hand (unfulfilled portion) of the Group, based on a service date, amounted to approximately HK\$6.78 billion, representing an increase of 40.7% compared with that as at 31 March 2025. Our business achieved breakthroughs during the Period. In the government sector, the Group successfully won several large-scale street cleaning contracts across different districts (including but not limited to those in Yau Tsim District, Western District, Sai Kung District, Yuen Long District, Tai Po District, Kwai Tsing District), as well as major cleaning contracts from other government departments (including but not limited to the Marine Department's cross-border ferry terminal and the Department of Health's cleaning support services). Subsequent to the Period to date, the Group has also won large-scale contracts, such as the provision of cleaning services for Mong Kok District, the Judiciary, multiple district halls, cultural and entertainment centers and theaters.

Meanwhile, the commercial sector business also maintained a strong development momentum. During the Period, the Group successfully obtained additional cleaning service contracts and expanded its market share among high-end customers, including but not limited to several premier large-scale shopping malls, renowned universities, upscale residential complexes and international department stores. In terms of iconic projects, following the year 2024/25, the Group became the contractor providing comprehensive services (including but not limited to patient transport, medication delivery and environmental cleaning) for two large public hospitals. Subsequent to the Period, the Group also achieved a breakthrough in the cultural and arts sector, by securing cleaning services contracts for an iconic museum and a renowned art centre in Hong Kong, demonstrating the Group's strength in attaining high-end brand recognition.

The garbage logistics business continued to develop steadily during the Period. With the efforts of our specialized operation team and allocation of sufficient resources, the Group maintained its leading position in garbage logistics services for the cargo terminal of the Hong Kong Airport.

Meanwhile, the Group continues to actively develop its professional pest management business. Johnson Professional Services Company Limited has achieved steady growth since its inception, and the provisions of professional pest management and quality disinfection services have generated cross-selling opportunities with its main cleaning business, which created business synergy within the Group.

The security services business has grown rapidly since its launch in October 2023, with a number of large-scale residential and certain government security service contracts successfully secured. The Group has also secured security service contracts with a renowned logistics company, private membership events of an international fashion brand, and large-scale events of an international bank. The security services are expected to be the new growth drivers for the Group.

In summary, during the Period, the Group achieved significant progress in both government and commercial business sectors. In order to consolidate our core business, we have continued to optimize service quality, introduced professional talents to strengthen corporate governance and internal control. We have also improved on-site management and frontline services, enhanced operational efficiency, advanced digitalization initiatives, researched and explored the application of artificial intelligence and exercised stringent cost control to help the Group achieve long-term profit growth. We will continue to maintain the cleaning service as our core business, actively develop security guarding, garbage logistics, and professional pest management and other new businesses to further enrich our business structure and accelerate our overall development momentum.

## **FINANCIAL REVIEW**

### **Revenue**

The Group's revenue for the six months ended 30 September 2025 and 2024 was approximately HK\$1,576.1 million and HK\$714.2 million respectively, representing an increase of approximately HK\$861.9 million or 120.7%. The increase was primarily driven by the growth in both government and non-government sectors of the Group's cleaning business.

### **Cost of services**

The cost of services primarily comprised labour costs, cleaning materials costs and motor vehicles expenses. For the six months ended 30 September 2025 and 2024, the cost of services amounted to approximately HK\$1,518.3 million and HK\$670.4 million respectively, amounting to approximately 96.3% and 93.9% of the Group's revenue for the corresponding periods respectively, representing an increase of approximately 2.4%. The increase in cost of services was mainly due to the direct costs incurred with the award of new contracts.

## **Gross profit and gross profit margin**

The Group's gross profit for the Period was approximately HK\$57.8 million, representing an increase of approximately HK\$14.0 million or 31.9% from approximately HK\$43.8 million for the corresponding period in 2024.

The gross profit margins of the Group for the six months ended 30 September 2025 and 2024 were approximately 3.7% and 6.1% respectively. As mentioned above, the decline in gross profit margin was mainly attributable to intensified market competition in recent years, which in turn has reduced the profitability of the contracts. Meanwhile, the simultaneous launch of multiple contracts in a short period of time has also increased upfront service costs.

## **Administrative expenses**

The administrative expenses of the Group for the six months ended 30 September 2025 and 2024 were approximately HK\$47.4 million and HK\$38.7 million respectively, representing an increase of HK\$8.7 million or 22.5%, and approximately 3.0% and 5.4% of the Group's total revenue respectively. The increased cost was mainly due to the expansion and enhancement of the business and operational teams to support the surge in business volume.

## **Finance costs**

The finance costs represented primarily the interest expenses on bank borrowings with floating interest rates. The finance costs amounted to approximately HK\$2.2 million and HK\$0.5 million for the six months ended 30 September 2025 and 2024 respectively, amounting to approximately 0.14% and 0.07% of the Group's total revenue respectively. The increase in finance costs was mainly due to new bank borrowings and overall rising loan interest rates during the Period.

## **Profit for the Period attributable to equity holders of the Company**

The Group's profit for the period attributable to equity holders of the Company for the six months ended 30 September 2025 and 2024 were approximately HK\$7.1 million and HK\$9.2 million respectively, representing a decrease of HK\$2.1 million or 22.6%. The decrease was mainly due to combined effect of the factors described above.

## **Liquidity and financial resources**

The Group has funded the liquidity and capital requirements primarily through cash inflows from operating and financing activities. As at 30 September 2025, the capital structure of the Group consisted of equity of approximately HK\$610.5 million (31 March 2025: HK\$607.7 million), bank and other borrowings of approximately HK\$378.1 million (31 March 2025: HK\$8.0 million) and lease liabilities of approximately HK\$5.7 million (31 March 2025: HK\$2.2 million).

### **Account receivables**

As at 30 September 2025, the Group had net account receivables of approximately HK\$849.3 million (31 March 2025: HK\$422.2 million). The increase was in line with the growth in revenue. The Group does not expect any material difficulty in collecting payment from such customers and will continue to improve credit and collections management.

### **Cash position and fund available**

During the Period, the Group maintained a healthy liquidity position, with working capital being funded by operating cash flows and bank borrowings. As at 30 September 2025, the Group's cash and cash equivalents were approximately HK\$261.3 million (31 March 2025: HK\$302.6 million); the Group pledged bank deposits of approximately HK\$29.6 million (31 March 2025: HK\$29.3 million) to secure the Group's banking facilities. As at 30 September 2025, the current ratio of the Group was approximately 1.5 times (31 March 2025: 2.6 times).

### **Accruals, other payables and provisions**

As at 30 September 2025, the Group had total accruals, other payables and provisions of approximately HK\$360.2 million (31 March 2025: HK\$266.5 million). The increase was mainly due to the increase in accrued staff costs and provision which was in line with the business volume.

### **Bank and other borrowings**

As at 30 September 2025, the Group had total bank and other borrowings of approximately HK\$378.1 million (31 March 2025: HK\$8.0 million). As at 30 September 2025, the Group had aggregate banking facilities, which comprised of overdraft and revolving loan facilities, factoring facility and letter of guarantee, of approximately HK\$1,320.5 million, of which approximately HK\$627.7 million was unutilised.

## **Gearing ratio**

As at 30 September 2025, the Group's gearing ratio was approximately 62.9% (31 March 2025: 1.7%), calculated by dividing total debts by total equity and multiplying the resulting value by 100%. The Group's total debts include interest-bearing bank and other borrowings and lease liabilities. The increase in the gearing ratio is primarily driven by new borrowings to finance both the acquisitions of motor vehicles and the Group's business operation.

## **Foreign currency exposure**

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currency of the Group's entities located in Hong Kong. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

## **Capital expenditure**

The Group incurred total capital expenditures of approximately HK\$107.4 million and HK\$11.0 million for the six months ended 30 September 2025 and 2024 respectively for additions of property, plant and equipment. The capital expenditure was principally incurred for the acquisition of motor vehicles to provide street cleaning services. It was mainly funded by cash generated from operating and financing activities.

## **Capital Commitment**

As at 30 September 2025, the Group had no capital commitment (31 March 2025: Nil).

## **Charges on the Group's Assets**

As at 30 September 2025, the Group pledged certain property, plant and equipment, bank deposits, right-of-use assets and financial assets at fair value through profit or loss ("FVTPL") to secure bank and other borrowings, performance bonds relating to deposits for cleaning, janitorial and other related service projects, and lease liabilities.

## **Contingent Liabilities**

### **(a) Performance bonds**

As at 30 September 2025 and 31 March 2025, there were contingent liabilities in respect of performance bonds relating to deposits for cleaning, janitorial and other related service projects and an employment compensation insurance contract issued by banks for the Group amounting to approximately HK\$319,257,000 (unaudited) and HK\$257,080,000 (audited), respectively. The performance bonds were secured by the Group's pledged bank deposits, and financial assets at FVTPL and were guaranteed by the Company.

### **(b) Litigations**

As at 30 September 2025 and 31 March 2025, the Group has been involved in several on-going litigations and claims concerning personal injuries of its existing or former employees and third parties with estimated claim amounts, net of estimated insurance deductibles, of approximately HK\$2,538,000 (unaudited) and HK\$2,956,000 (audited), respectively. In the opinion of the directors of the Company, the provision of insurance deductibles had been provided based on insurance policies. The estimated costs and expenses above the insurance deductibles are expected to be adequately covered by the Group's insurance policies.

## **HUMAN RESOURCES**

As at 30 September 2025, the Group had over 13,000 employees (31 March 2025: over 10,000 employees). Remuneration is determined with reference to market terms and in accordance with the performance, qualification, and experience of each individual employee. Discretionary bonuses, based on each individual's performance, are paid to employees as recognition and reward for their contributions. In addition, the Group conducted various training activities, such as training on operational safety, office, and management skills, to improve the front-end quality of services and office support during the Period.

## **INTERIM DIVIDEND**

The Board does not declare any interim dividend for the Period (six months ended 30 September 2024: Nil).

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

Throughout the Period, the Company has complied with all applicable code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

## **REVIEW OF UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

The Company’s unaudited interim condensed consolidated financial information for the Period has been reviewed by the audit committee of the Company, which currently comprises three independent non-executive Directors, namely Mr. FAN Chiu Tat Martin, Ms. RU Tingting and Mr. LEUNG Siu Hong, and by the Company’s independent auditor RSM Hong Kong, certified public accountants in Hong Kong, 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 HKICPA.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This interim results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.johnsonholdings.com](http://www.johnsonholdings.com). The 2025/26 interim report will be available on the websites of the Stock Exchange and the Company before the end of December 2025.

## APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to the shareholders, investors and business partners' support and trust, and all employees for their dedication and hard work.

By order of the Board  
**Hong Kong Johnson Holdings Co., Ltd.**  
**XIE Hui**  
*Chairman*

Hong Kong, 27 November 2025

*As at the date of this announcement, the executive Director is Dr. LI Zhuang (Vice President); the non-executive Directors are Dr. XIE Hui (Chairman), Mr. YAN Jun, Ms. LI Yanmei, Mr. WU Zhiyong, Ms. TANG Yuyun and Mr. LU Xuefang; and the independent non-executive Directors are Mr. FAN Chiu Tat Martin, Dr. GUAN Yuyan, Mr. HONG Kam Le, Mr. LEUNG Siu Hong and Ms. RU Tingting.*