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美捷滙控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1389)

DISCLOSEABLE TRANSACTION:

DISPOSAL OF AN ASSET

The Board is pleased to announce that on 30 June 2020 (after trading hours of the Stock Exchange), the Vendor (a wholly-owned subsidiary of the Company) and the Purchaser entered into the Memorandum of Agreement pursuant to which the Vendor agreed to sell, and the Purchaser agreed to buy, the Yacht for the consideration of US\$1,100,000 on and subject the terms and conditions thereof.

As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirement under the Listing Rules.

Shareholders and potential investors should note that the Disposal contemplated under the Memorandum of Agreement is subject to certain terms and conditions and it may or may not be completed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

THE DISPOSAL

The Board is pleased to announce that on 30 June 2020 (after trading hours of the Stock Exchange), the Vendor (a wholly-owned subsidiary of the Company) and the Purchaser entered into the Memorandum of Agreement pursuant to which the Vendor agreed to sell, and the Purchaser agreed to buy, the Yacht for the consideration of US\$1,100,000 on and subject the terms and conditions thereof.

* For identification purposes only

THE MEMORANDUM OF AGREEMENT

The principal terms of the Memorandum of Agreement are set out below:

Date: 30 June 2020 (after trading hours of the Stock Exchange)

Parties: The Vendor: Major Cellar Company Limited

The Purchaser: Tokyo Marine Service Inc.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Purchaser is a company incorporated in Japan whose principal business activity is provision of marine services; and the Purchaser and its ultimate beneficial owner are Independent Third Parties.

Yacht: Riva 75, a pleasure vessel licensed in Hong Kong with a passenger carrying capacity of 14 persons

Consideration: US\$1,100,000

The Purchaser has paid a deposit of US\$110,000 to the stakeholder under the Memorandum of Agreement. On the Completion Date, the deposit shall be released and the Purchaser shall pay the balance of US\$990,000 to the Vendor or the broker in accordance with the terms of the Memorandum of Agreement.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms with reference to, among other things, (i) the book value and market value of the Yacht; (ii) the quality and condition of the Yacht; and (iii) other reasons and benefits of the Disposal as stated under the section headed "Reasons for the Disposal" below.

The Directors (including the independent non-executive Directors) consider that the Consideration to be fair and reasonable and on normal commercial terms and the Disposal is in the interests of the Company and the Shareholders as a whole.

**Sea Trial and
Condition Survey:**

The Purchaser will make the Yacht available to the Purchaser for a sea trial of up to four hours at a mutually agreed time, and the Purchaser may at its own costs place ashore and/or open up the Yacht and her machinery for the purpose of completing a condition survey, in each case no later than 10 July 2020. The Purchaser may reject the Yacht if it considers that the Yacht has not performed to its satisfaction on the sea trial in accordance with the terms of the Memorandum of Agreement.

Completion

Completion is expected to take place on the Completion Date, namely, 30 July 2020 (or such earlier date as may be agreed between the Vendor and the Purchaser).

REASONS FOR THE DISPOSAL

The Group is principally engaged in sale and distribution of premium wine and spirits products primarily through retail channels in Hong Kong.

The Yacht was acquired by the Group in 2016 to facilitate marketing and development of the Group's business. The Yacht had a book value of HK\$8,510,687 as at 30 June 2020, based on the management accounts of the Company. The Group is expected to recognise a gain on Disposal of approximately HK\$69,313 for the year ended 31 March 2021, which is calculated on the basis of the difference between the carrying amount of the Yacht as at 30 June 2020 and the Consideration.

The Directors considered that it is beneficial to the Group to dispose and realise the Yacht at its current market value and generate cash to enhance the liquidity of the Group amidst a difficult operating environment and volatile global economy. In addition, the Disposal will enable the Group to save the operating and maintenance expenses of approximately HK\$750,000 to HK\$1,000,000 per year in order to run and maintain the upkeep of the Yacht.

The Directors (including the independent non-executive Directors) considered that the terms of the Memorandum of Agreement are fair and reasonable and are on normal commercial terms and the Disposal is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirement under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Board”	the board of Directors
“Company”	Major Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Memorandum of Agreement

“Completion Date”	30 July 2020 (or such earlier date as may be agreed between the Vendor and the Purchaser)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	US\$1,100,000, being the consideration for the Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Yacht pursuant to the terms and conditions of the Memorandum of Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum of Agreement”	the memorandum of agreement entered into between the Vendor and the Purchaser
“Purchaser”	Tokyo Marine Service Inc., a company incorporated in Japan
“Share(s)”	ordinary share(s) of HK\$0.00125 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars
“Vendor”	Major Cellar Company Limited, a company incorporated in the Hong Kong with limited liability and a wholly-owned subsidiary of the Company

“Yacht”

Riva 75, a pleasure vessel licensed in Hong Kong with a passenger carrying capacity of 14 persons

“%”

per cent

By order of the Board
Major Holdings Limited
Cheung Chun To
Chairman

Hong Kong, 30 June 2020

As at the date of this announcement, the executive Directors are Mr. Cheung Chun To, Mr. Leung Chi Kin Joseph and Ms. Cheung Wing Shun, the independent non-executive Directors are Mr. Yue Kwai Wa Ken, Mr. Ngai Hoi Ying and Mr. Siu Shing Tak.