



美捷滙控股有限公司*

(Incorporated in the Cayman Islands with Limited Liability)
Stock Code: 1389



2024
INTERIM REPORT

The illustration shows a hand in a red and white striped sleeve holding a green wine glass. A large red bottle is tilted above it, with a dashed line and location pins indicating the path of the liquid being poured into the glass.

* For identification purposes only

Registered office

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Headquarter, head office and principal place of business in Hong Kong

Suite 1507, Tower 2,
Silvercord,
30 Canton Road,
Tsim Sha Tsui
Kowloon
Hong Kong

Company's website

<http://www.majorcellar.com>

Executive director

Mr. Cheung Chun To (*Chairman and chief executive officer*)

Independent non-executive directors

Mr. Yue Kwai Wa Ken
Ms. Li Bo (*appointed on 1st May 2024*)
Ngai Hoi Ying (*resigned on 1st May 2024*)
Mr. Siu Shing Tak

Company secretary

Mr. Sin Chi Keung

Authorised representatives

Mr. Cheung Chun To
Mr. Sin Chi Keung

Audit committee

Mr. Siu Shing Tak (*Chairman*)
Mr. Yue Kwai Wa Ken
Ngai Hoi Ying (*resigned on 1st May 2024*)
Ms. Li Bo (*appointed on 1st May 2024*)

Remuneration committee

Mr. Yue Kwai Wa Ken (*Chairman*)
Ms. Li Bo (*appointed on 1st May 2024*)
Ngai Hoi Ying (*resigned on 1st May 2024*)
Mr. Siu Shing Tak

Nomination committee

Ms. Li Bo (*Chairman*) (*appointed on 1st May 2024*)
Ngai Hoi Ying (*resigned on 1st May 2024*)
Mr. Yue Kwai Wa Ken
Mr. Siu Shing Tak

Principal share registrar and transfer office in the Cayman Islands

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Hong Kong branch share registrar and transfer office

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Principal bankers

DBS Bank (Hong Kong) Limited
Shanghai Commercial Bank Limited
Standard Chartered Bank (Hong Kong) Limited
China Construction Bank (Asia) Corporation Limited

Auditor

BEIJING XINGHUA CAPLEGEND CPA LIMITED
1/F, GR8 Inno Tech Centre
No. 46 Tsun Yip Street
Kwun Tong, Kowloon
Hong Kong

Hong Kong legal adviser

Robertsons
57/F., The Center
99 Queen's Road Central
Hong Kong

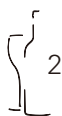
Stock code

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Financial Highlights

For the six months ended 30 September 2024, unaudited operating results of the Group were as follows:

- loss after taxation for the six months ended 30 September 2024 was approximately HK\$7.5 million, whereas loss after taxation for the six months ended 30 September 2023 amounted to approximately HK\$4.7 million.
- basic loss per share for the six months ended 30 September 2024 was 1.35 HK cents, based on weighted average of ordinary shares of 554,333,332, whereas basic loss per share for the six months ended 30 September 2023 was 1.22 (restated) HK cents, based on weighted average of ordinary shares of 386,615,128.
- the Board does not recommend the payment of an interim dividend for the six months ended 30 September 2024.



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2024

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

The board of directors (the "Board") of Major Holdings Limited (the "Company") is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2024 together with the unaudited comparative figures for the corresponding period in 2023 as follows:

	Notes	Six months ended 30 September	
		2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Revenue	3	36,237	29,519
Cost of sales		(38,412)	(25,814)
Gross (loss)/profit		(2,175)	3,705
Other income		1,185	2,066
Other gains and losses, net		65	(28)
Promotion, selling and distribution expenses		(3,394)	(4,480)
Administrative expenses		(3,139)	(5,853)
Loss from operations		(7,458)	(4,590)
Finance costs	4	–	(121)
Loss before tax		(7,458)	(4,711)
Income tax expense	5	–	–
Loss and total comprehensive expense for the period attributable to owners of the Company	6	(7,458)	(4,711)
		HK cents	(Restated) HK cents
Loss per share, basic	8	(1.35)	(1.22)

Condensed Consolidated Statement of Financial Position

As at 30 September 2024

	Notes	30 September 2024 (unaudited) HK\$'000	31 March 2024 (audited) HK\$'000
Non-current assets			
Property, plant and equipment		179	541
Right-of-use assets		1,042	3,607
		1,221	4,148
Current assets			
Inventories		42,410	63,367
Trade receivables	9	28,048	15,172
Prepayments, deposits and other receivables		36,312	26,397
Current tax assets		413	413
Bank and cash balances		17,590	26,450
		124,773	131,799
Current liabilities			
Trade payables	10	3,588	2,737
Contract liabilities		4,239	3,769
Other payables		377	1,530
Lease liabilities		735	3,536
Current tax liabilities		186	147
		9,125	11,719
Net current assets		115,648	120,080
Total assets less current liabilities		116,869	124,228
Non-current liabilities			
Lease liabilities		1,358	1,259
		1,358	1,259
NET ASSETS		115,511	122,969
Capital and reserves			
Share capital		6,929	6,929
Reserves		108,582	116,040
TOTAL EQUITY		115,511	122,969



Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2024

	(Unaudited)					Total HK\$'000
	Attributable to owners of the Company					
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000 (Note i)	Other reserve HK\$'000 (Note ii)	Retained profits HK\$'000	
At 1 April 2024	6,929	224,061	(104,902)	30,483	(33,602)	122,969
Loss and total comprehensive expense for the period	-	-	-	-	(7,458)	(7,458)
At 30 September 2024	6,929	224,061	(104,902)	30,483	(41,060)	115,511
At 1 April 2023	4,158	197,993	(104,902)	30,483	(17,919)	109,813
Loss and total comprehensive expense for the period	-	-	-	-	(4,711)	(4,711)
At 30 September 2023	4,158	197,993	(104,902)	30,483	(22,630)	105,102

Notes:

- (i) The capital reserve represents the difference between the nominal value of the share capital of Major Cellar Company Limited ("Major Cellar") at the date on which it was acquired by Beyond Elite Limited and the deemed consideration of HK\$104,912,000 settled by issuance of 100 shares by the Company pursuant to the corporate reorganisation completed on 28 August 2013.
- (ii) The other reserve represents deemed contribution from Rouge & Blanc Wines Limited ("Rouge & Blanc") regarding the waiver of amount due to Rouge & Blanc effective on 1 April 2012 which arose from the transfer of wine and spirit products and furniture and fixtures from Rouge & Blanc to Major Cellar on 31 March 2010. Rouge & Blanc is controlled by Mr. Cheung Chun To, a director and substantial shareholder of the Company, and Mr. Leung Chi Kin Joseph, the then substantial shareholder of the Company.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2024

	Six months ended 30 September	
	2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Net cash (used in)/generated from operating activities	(8,860)	3,926
Net cash generated from investing activities	–	–
Net cash used in financing activities	–	(3,414)
Net (decrease)/increase in cash and cash equivalents	(8,860)	512
Cash and cash equivalents at beginning of the period	26,450	5,933
Cash and cash equivalents at end of the period, represented by bank and cash balances	17,590	6,445

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

1. GENERAL

The Company was incorporated in Cayman Islands and registered as an exempted company with limited liability and its shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 10 January 2014 and subsequently transferred listing to Main Board of the Stock Exchange on 30 October 2015. The addresses of the Company's registered office and the principal place of business are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Suite 1507, Tower 2, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong respectively.

The Company is an investment holding company and its principal subsidiaries are mainly engaged in the sale and distribution of premium wine and spirits products and wine accessory products in Hong Kong.

The functional currency of the Company is Hong Kong dollar ("HK\$"), which is the same as the presentation currency of the condensed consolidated financial statements.

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") as well as the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 March 2024. The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the consolidated financial statements for the year ended 31 March 2024.

3. REVENUE AND SEGMENT INFORMATION

The Group's operation is mainly derived from sale and distribution of premium wine and spirits products and wine accessory products in Hong Kong for both periods. For the purpose of resources allocation and performance assessment, the chief operating decision maker (i.e. the executive director of the Group) reviews the overall results and financial position of the Group as a whole prepared based on same accounting policies set out in notes to the consolidated financial statements for the year ended 31 March 2024. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

The following is an analysis of the Group's revenue from its major products:

	Six months ended 30 September 2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Red wine	28,710	22,953
White wine	1,746	3,860
Sparkling wine	13	9
Spirits	4,058	2,299
Sake	13	44
Other products	1,697	354
	36,237	29,519

Geographical information

The Group's revenue are all derived from Hong Kong based on the location of goods delivered and all of the Group's non-current assets are located in Hong Kong by physical location of assets.

The Group's geographical market is in Hong Kong only. The revenue is recognised at a point of time for the both reporting periods.

4. FINANCE COSTS

	Six months ended 30 September 2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Interests on: Bank borrowings	–	121
	–	121

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

5. INCOME TAX CREDIT

	Six months ended 30 September	
	2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Current tax – Hong Kong Profits Tax	–	–
Deferred tax	–	–
	–	–

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit in Hong Kong during the six months ended 30 September 2024 and 2023.

6. LOSS FOR THE PERIOD

The Group's loss for the period is arrived at after charging:

	Six months ended 30 September	
	2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Staff costs including directors' emoluments		
Salaries and other benefits	2,765	3,649
Sales commission	117	66
Retirement benefits scheme contributions	109	140
Total staff costs	2,991	3,855
Depreciation	137	1,230

7. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

8. LOSS PER SHARE

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

	Six months ended 30 September 2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Loss:		
Loss attributable to owners of the Company, used in the basic loss per share calculation	(7,458)	(4,711)
	'000	'000 (Restated)
Number of shares:		
Weighted average number of ordinary shares used in basic loss per share calculation	554,333	386,615

No diluted loss per share is presented as the Company did not have any dilutive potential ordinary shares for both periods.

The weighted average number of shares for the six months ended 30 September 2023 had been adjusted for the share consolidation completed on 31 January 2024 and rights issue completed on 12 March 2024.

9. TRADE RECEIVABLES

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

	30 September 2024 (unaudited) HK\$'000	31 March 2024 (audited) HK\$'000
0 to 30 days	1,153	4,420
31 to 60 days	4,653	436
61 to 90 days	5,756	439
91 to 180 days	6,180	5,585
181 to 365 days	9,127	3,547
Over 365 days	1,179	745
	28,048	15,172



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

10. TRADE PAYABLES

The ageing analysis of trade payables, based on invoice date, is as follows:

	30 September 2024 (unaudited) HK\$'000	31 March 2024 (audited) HK\$'000
0 to 30 days	451	667
31 to 60 days	426	67
61 to 365 days	1,876	1,152
Over 365 days	835	851
	3,588	2,737

11. RELATED PARTY TRANSACTIONS

(a) In addition to those related party transactions disclosed elsewhere in notes to the condensed consolidated financial statements, the Group had the following transactions with its related parties during the period:

	Six months ended 30 September 2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Sales to related parties		
– Mr. Cheung Chun To	–	6
– Ms. Cheung Wing Shun (Note i)	31	6
– Major Times (HK) Co. Limited (Note ii)	–	6
	31	18
Lease payment in respect of warehouse paid or payable to Health Sunrise Limited (Note iii)	800	1,200
Lease payment in respect of office paid or payable to Major Talent Limited (Note iv)	660	660

Notes:

- (i) Ms. Cheung Wing Shun is the sister of director Mr. Cheung Chun To.
- (ii) Major Times (HK) Co. Limited is a private limited company, which is wholly owned and controlled by Mr. Cheung Chun To, the executive director of the Company.
- (iii) Health Sunrise Limited is a company wholly owned by Mr. Cheung Chun To, the executive director of the Company.
- (iv) Major Talent Limited is a company wholly owned by Mr. Cheung Chun To, the executive director of the Company.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2024

(b) Compensation of key management personnel

	Six months ended 30 September 2024 (unaudited) HK\$'000	2023 (unaudited) HK\$'000
Short-term benefits	690	1,190
Post-employment benefits	18	26
	708	1,216

12. APPROVAL OF FINANCIAL STATEMENTS

These condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 22 November 2024.



BUSINESS REVIEW AND OUTLOOK

According to the report from Trading Economics in September 2024, retail sales in Hong Kong dropped 8.7% year-on-year in September 2024, easing from a marginally revised 11.7% decline in the previous month. This marked the softest decline in retail activity since March 2024, with sales decreasing at a slower rate for clothing, footwear, and allied products (-3.4% against -11.7% in August 2024), department stores (-12.9% against -18% in August 2024), jewelry, watches & clocks, and valuable gifts (-22.5% against -29.3% in August 2024), supermarkets (-4.5% against -7.3% in August 2024), and fuels (-13.6% against -16% in August 2024). Meanwhile, trade continued to decline for food, alcoholic drinks, and tobacco (-4.6% against -2.5% in August 2024). According to the Trading Economics global macro Models and analyst expectations, retail sales year-on-year in Hong Kong is expected to be 2.10% by the end of the third quarter in 2024. In the long-term, the year-on-year growth of retail sales in Hong Kong is projected to be around 2.1% in 2024 and 2.4% in 2025.

As stated in the "Report on Monthly Survey of Retail Sales" issued by the Census and Statistics Department of the Government of the Hong Kong Special Administrative Region in September 2024, retail trade advanced 1.4% on a monthly basis, following a flat reading in the previous period in September 2023. The value of total retail outlet decreased from approximately HK\$302.3 billion for the nine months ended 30 September 2023 to approximately HK\$279.4 billion for the nine months ended 30 September 2024, representing a decrease of approximately 7.6%. For alcoholic drinks and tobacco segment, the value of total retail sales decreased from approximately HK\$28.6 billion for the nine months ended 30 September 2023 to approximately HK\$27.4 billion for the nine months ended 30 September 2024, representing a HK\$1.2 billion decrease of approximately 4.2%.

During the six months ended 30 September 2024, the Group's revenue increased by 22.8% to approximately HK\$36.2 million (2023: HK\$29.5 million). The increase was mainly due to the increase of the sales of red wine from approximately HK\$22.9 million for the six months ended 30 September 2023 to approximately HK\$28.7 million for the six months ended 30 September 2024.

Facing the war between Israel and Palestinian in Gaza, Russian invasion of Ukraine, global elevated high inflation and interest rate, the US-Sino Trade War challenge, uncertain global economic outlook, the vulnerable Hong Kong retail market and intensified competition in premium wine industry, the overall business environment has been very unstable and challenging for the six months ended 30 September 2024.

Red wine continued to be the Group's core product type and main source of revenue driver. In response to the challenging retail market in Hong Kong, the Group will continue to improve its sales and marketing channels, adjust its sales and marketing strategies and customize its inventory portfolio.

Looking forward, despite the uncertain worldwide economic environment, in light of the growing demand for premium wine in Hong Kong and China, the Group is confident to position itself as one of the Hong Kong's main premium wine retailers.

The Group will continue to seek for new business opportunities from time to time in order to diversify its business and enhance the long-term growth potential of the Group and its shareholders' value.

FINANCIAL REVIEW

Revenue

Revenue of the Group increased by approximately 22.8% from approximately HK\$29.5 million for the six months ended 30 September 2023 to approximately HK\$36.2 million for the six months ended 30 September 2024.

Gross profit

Gross profit of the Group decreased from approximately HK\$3.7 million for the six months ended 30 September 2023 to gross loss of approximately HK\$2.2 million for the six months ended 30 September 2024. The change was mainly attributable to some sales promotion event at below cost of the Group for the six months ended 30 September 2024.

Promotion, selling and distribution expenses and administrative expenses

Promotion, selling and distribution expenses of the Group decreased by approximately 24.2% from approximately HK\$4.5 million for the six months ended 30 September 2023 to approximately HK\$3.4 million for the six months ended 30 September 2024. The change was mainly attributable to the decrease in rental and payroll expense.

Administrative expenses of the Group decreased by approximately 46.4% from approximately HK\$5.9 million for the six months ended 30 September 2023 to approximately HK\$3.1 million for the six months ended 30 September 2024. The change was mainly attributable to the decrease in rental and payroll expense.

Depreciation of property, plant and equipment

The depreciation on property, plant and equipment of the Group decreased by approximately 88.9% from approximately HK\$1,230,000 for the six months ended 30 September 2023 to approximately HK\$137,000 for the six months ended 30 September 2024.

Finance costs

Finance costs of the Group decreased from approximately HK\$121,000 for the six months ended 30 September 2023 to nil for the six months ended 30 September 2024. It was mainly resulted from the decrease in bank borrowings for the six months ended 30 September 2024.

Income tax expense

Income tax expense for the Group was nil for the six months ended 30 September 2023 and 30 September 2024.

Loss and total comprehensive expense for the period attributable to owners of the Company

For the reasons mentioned above, loss and total comprehensive expense for the period attributable to owners of the Company was approximately HK\$4.7 million for the six months ended 30 September 2023, whereas loss and total comprehensive expense was approximately HK\$7.5 million for the six months ended 30 September 2024.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

	30 September 2024 (unaudited)	31 March 2024 (audited)
Current assets (HK\$'000)	HK\$124,773	HK\$131,799
Current liabilities (HK\$'000)	HK\$9,125	HK\$11,719
Current ratio	13.67	11.25

The current ratio of the Group at 30 September 2024 was approximately 13.67 times as compared to that of approximately 11.25 times at 31 March 2024. At 30 September 2024, the Group had total bank and cash balances of approximately HK\$17.6 million (31 March 2024: approximately HK\$26.5 million). At 30 September 2024, the Group's gearing ratio (represented by the lease liabilities divided by equity) amounted to approximately 1.8% (31 March 2024: approximately 3.9%). The Group's borrowings have not been hedged by any interest rate financial instruments. The Group's financial position is sound and strong. With available bank and cash balances and banking facilities, the Group has sufficient liquidity to satisfy its funding requirements.

COMMITMENTS

As at 30 September 2024 and 31 March 2024, the Group did not have any significant lease commitments and capital commitments.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 September 2024 (31 March 2024: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2024, the Group employed a total of 15 full-time employees and nil part-time employee (31 March 2024: 22 full-time and 1 part-time employee) respectively. The staff costs, including Directors' emoluments, of the Group were approximately HK\$3.0 million for the six months ended 30 September 2024 (six months ended 30 September 2023: HK\$3.9 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. In addition to basic salary, year-end bonuses are offered to those staff with outstanding performance to attract and retain eligible employees to contribute to the Group.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the six months ended 30 September 2024, the Group did not have any material acquisitions or disposals of subsidiaries and affiliated companies.

THE INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

(a) Directors' and chief executives' interests and short positions in shares, underlying shares and debentures

So far as were known to the Directors or chief executive of the Company, and based on publicly available information as at 30 September 2024, the interests and short positions of our Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the securities and futures ordinance ("SFO")) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO) or which will be required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code of the Listing Rules, were as follows:

Name	Capacity/ Nature of Interest	Number of shares	Approximate percentage of shareholding
Mr. Cheung Chun To	Interest in controlled corporation (Note 1)	298,092,515 shares	53.77%
Mr. Cheung Chun To	Interest of Spouse (Note 1)	1,856,667 shares	0.33%

Management Discussion and Analysis

Notes:

1. Mr. Cheung Chun To beneficially owns the entire shareholding interests in Silver Tycoon Limited. Therefore, Mr. Cheung Chun To is deemed to be interested in the 298,092,515 shares held by Silver Tycoon Limited. Ms. Lin Shuk Shuen, being the spouse of Mr. Cheung Chun To, beneficially owns 1,856,667 shares in the Company. As a consequence, Mr. Cheung Chun To is deemed to be interested in 299,949,182 shares in the Company.

Save as disclosed above, as at 30 September 2024, none of the Directors or chief executive of the Company or their respective associates had any interests or short positions in the securities of the Company or its associated corporations (within the meaning of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, required pursuant to section 352 of the SFO to be entered in the register referred to therein or required to be notified to the Company and the Stock Exchange pursuant to the Model Code of the Listing Rules.

(b) Substantial shareholders' and other persons' interests and short positions in shares and underlying shares

As at 30 September 2024, so far as it were known to the Directors or chief executive of the Company, and based on publicly available information, the following persons (other than a director or chief executive of the Company) have interests or short positions in the shares and underlying shares of the Company that would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO:

Name	Capacity/ Nature of Interest	Number of shares	Approximate percentage of shareholding
Silver Tycoon Limited	Beneficial Owner (Note 1)	298,092,515 shares	53.77%
Ms. Lin Shuk Shuen	Interest of Spouse and Beneficial Owner (Note 2)	299,949,182 shares	54.10%
Mr. Zheng Huanming	Beneficial Owner	48,000,000 shares	8.66%
Mr. Zhang Guozhong	Beneficial Owner	44,600,000 shares	8.05%
Mr. Zhang Guanyuan	Beneficial Owner	47,714,040 shares	8.61%

Notes:

1. Mr. Cheung Chun To beneficially owns the entire shareholding interests in Silver Tycoon Limited. Therefore, Mr. Cheung Chun To is deemed to be interested in the 298,092,515 shares held by Silver Tycoon Limited.
2. Ms. Lin Shuk Shuen is the spouse of Mr. Cheung Chun To, by virtue of the SFO, is therefore deemed to be interested in all the shares held/owned by Mr. Cheung Chun To (by himself and through Silver Tycoon Limited), and together with the 1,856,667 shares beneficially owned by her.

Save as disclosed above, as at 30 September 2024, none of the Directors or chief executive of the Company were aware of any person (other than a director or chief executive of the Company) who has an interest or short position in the securities in the Company that would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO.

SHARE OPTION SCHEME

The Company operates a share option scheme (the “Share Option Scheme”) providing incentives or rewards to eligible persons of the Group for their contribution to the Group. Details of the Share Option Scheme have been set out in the Company’s 2024 Annual Report. During the six months ended 30 September 2024, no option was granted under the Share Option Scheme.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any securities of the Company during the six months ended 30 September 2024.

DIRECTOR’S INTERESTS IN CONTRACTS

No contract of significance, to which the Company, its holding company or subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at 30 September 2024 or at any time during the six months ended 30 September 2024.

DIRECTOR’S INTEREST IN COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors, the controlling shareholders and their respective associates (as defined under the Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group during the six months ended 30 September 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules. The Company has confirmed, having made specific enquiry to the Directors, all the Directors have complied with the Model Code during the six months ended 30 September 2024.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix C1 of the Listing Rule during the six months ended 30 September 2024 save for the deviation stated below:

According to the code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Cheung Chun To was the chairman and the chief executive officer of the Group.

Given that Mr. Cheung is familiar with and has superior knowledge and experience of the Group's business, therefore the Board considers that vesting the roles of both Chairman of the Board and chief executive officer in Mr. Cheung has the benefit of ensuring consistent leadership with the Group and enables more effective and efficient overall strategic planning for the Group.

The Directors will use their best endeavours to procure the Company to comply with such code and provisions in accordance with the Listing Rules.

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

There were no significant investments held as at 30 September 2024. The Group did not have other plans for material investments and capital assets as at 30 September 2024.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its clients. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

FOREIGN EXCHANGE EXPOSURE

The Group has foreign currency purchases denominated in Euro, Great Britain Pound, Swiss Franc and United States Dollar. Certain bank balances and cash and trade payables related to purchases made by the Group were denominated in foreign currencies. However, the Directors consider the foreign exchange exposure minimal as a majority of the Group's sales, monetary assets and liabilities are denominated in HK\$.

As at 30 September 2024, the Group had no significant exposure under foreign exchange contracts, interest, currency swaps or other financial derivatives. The Group currently does not have any foreign currencies hedging policy but will consider hedging its foreign currency exposure should the need arise.

REASONS FOR CHANGE ON USE OF PROCEEDS

The principal activity of the Company is an investment holding and its principal subsidiaries are mainly engaged in the sale and distribution of premium wine and spirits products and wine accessory products in Hong Kong.

As disclosed in the annual report of the Company for the year ended 31 March 2024, the net proceeds of approximately HK\$29.0 million from the 2024 Rights Issue, which was intended to use:

- (i) as to HK\$17.5 million for the investment in set up new retail shop and working capital in procurement of stock in the PRC;
- (ii) as to HK\$10 million for the working capital in procurement of stock in Hong Kong business;
- (iii) and as to HK\$1.5 million for the general working capital of the Company.

The Board, having considered the current needs of working capital of the Company, the prevailing market conditions, the sluggish retail market in alcohol and premium wine in Hong Kong and the PRC market in the first half year of 2024, the Board considered that it is not the right time to have PRC investment, and resolved to change the use of proceeds in the following manner:

- (i) utilise HK\$16 million as the working capital in procurement of stock in Hong Kong business;
- (ii) utilise HK\$1 million for the removal and set up of new retail shop(s) in Hong Kong and for the working capital in procurement of stock;
- (iii) utilise HK\$1 million as the general working capital of the Company;
- (iv) utilise HK\$11 million as time deposit with a licensed bank in Hong Kong.

AUDIT COMMITTEE

The primary duties of the Audit Committee are to review the financial systems of the Group; to review the accounting policy, financial position and financial reporting procedures of the Group, internal control and risk management systems of the Group; to communicate with external auditors; to assess the performance of internal financial and audit personnel; and to assess the internal controls of the Group. The Audit Committee consists of three members, namely, Mr. Siu Shing Tak, Mr. Yue Kwai Wa Ken and Ms. Li Bo, all being independent non-executive Directors. The interim financial information has not been audited by the auditor of the Company. The Audit Committee has reviewed the unaudited condensed consolidated results of the Group for the six months ended 30 September 2024.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement is published on the website of the Company (www.majorcellar.com) and the Stock Exchange (www.hkexnews.hk). The 2024 interim report will be dispatched to shareholders and available on the above websites on or around 29 November 2024.

By Order of the Board
Major Holdings Limited
CHEUNG Chun To
Chairman

Hong Kong, 22 November 2024

