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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 25 January 2021 (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 HK\$7,800,000 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

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* For identification purpose only

THE MEMORANDUM OF AGREEMENT

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

Date: 25 January 2021 (after trading hours of the Stock Exchange)

Parties: The Vendor: Major Cellar Company Limited

The Purchaser: Greater Bay Development Limited

The Purchaser is an investment holding company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, 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: HK\$7,800,000

The Purchaser has paid a deposit of HK\$780,000 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 HK\$7,020,000 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 28 January 2021. 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, 9 February 2021 (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.

As stated in the announcements of the Company dated 30 June 2020 and 30 July 2020, the Company previously entered into an agreement with an interested buyer to acquire the Yacht. However, the parties failed to reach an agreement on the improvement works to be completed on the Yacht after a sea trial and condition survey. Therefore, completion did not take place under that agreement. The Group subsequently entered into discussion with other interested parties with a view to divest the Yacht.

The Yacht was acquired by the Group in 2016 to facilitate marketing and development of the Group's business. The Yacht is expected to have a book value of HK\$7,593,333 as at 31 January 2021, based on the latest management accounts of the Company. The Group is expected to recognise a gain on Disposal of approximately HK\$206,667 for the year ended 31 March 2021, which is calculated on the basis of the difference between the expected carrying amount of the Yacht as at 31 January 2021 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\$1,500,000 per year in order to run and maintain the upkeep of the Yacht. The sale proceeds will be used for the Group's working capital purpose.

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”	9 February 2021 (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”	HK\$7,800,000, 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”	Greater Bay Development Limited, a company incorporated in Hong Kong with limited liability
“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
“Vendor”	Major Cellar Company Limited, a company incorporated in 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, 25 January 2021

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