



美捷滙控股有限公司*

(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 1389

● ● 2023 INTERIM REPORT ● ●



* 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
Mr. Ngai Hoi Ying
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
Mr. Ngai Hoi Ying

Remuneration committee

Mr. Yue Kwai Wa Ken (*Chairman*)
Mr. Ngai Hoi Ying
Mr. Siu Shing Tak

Nomination committee

Mr. Ngai Hoi Ying (*Chairman*)
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

ZHONGHUI ANDA CPA Limited
23/F, Tower 2
Enterprise Square Five
38 Wang Chiu Road
Kowloon Bay, Kowloon
Hong Kong

Hong Kong legal adviser

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

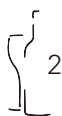
Stock code

1389

Financial Highlights

For the six months ended 30 September 2023, unaudited operating results of the Group were as follows:

- loss after taxation for the six months ended 30 September 2023 was approximately HK\$4.7 million, whereas loss after taxation for the six months ended 30 September 2022 amounted to approximately HK\$3.5 million.
- basic loss per share for the six months ended 30 September 2023 was 0.14 HK cents, based on ordinary shares of 3,326,000,000 in issue, whereas basic loss per share for the six months ended 30 September 2022 was 0.10 HK cents, based on ordinary shares of 3,326,000,000 in issue.
- the Board does not recommend the payment of an interim dividend for the six months ended 30 September 2023.



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2023

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

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 2023 together with the unaudited comparative figures for the corresponding period in 2022 as follows:

	Notes	Six months ended 30 September	
		2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Revenue	3	29,519	41,218
Cost of sales		(25,814)	(36,224)
Gross profit		3,705	4,994
Other income		2,066	1,615
Other gains and losses, net		(28)	27
Promotion, selling and distribution expenses		(4,480)	(5,248)
Administrative expenses		(5,853)	(4,595)
Loss from operations		(4,590)	(3,207)
Finance costs	4	(121)	(268)
Loss before tax		(4,711)	(3,475)
Income tax credit	5	–	19
Loss and total comprehensive expense for the period attributable to owners of the Company	6	(4,711)	(3,456)
		HK cents	HK cents
Loss per share, basic and diluted	8	(0.14)	(0.10)

Condensed Consolidated Statement of Financial Position

As at 30 September 2023

		30 September 2023 (unaudited) HK\$'000	31 March 2023 (audited) HK\$'000
	Notes		
Non-current assets			
Property, plant and equipment		884	2,085
Right-of-use assets		7,489	7,489
Deposits		–	201
		8,373	9,775
Current assets			
Inventories		76,888	71,678
Trade receivables	9	11,968	9,380
Prepayments, deposits and other receivables		20,533	35,146
Current tax assets		450	450
Bank and cash balances		6,445	5,933
		116,284	122,587
Current liabilities			
Trade payables	10	2,325	1,701
Contract liabilities		5,951	5,961
Other payables		415	756
Bank borrowings	11	2,733	4,000
Due to a director		–	2,000
Lease liabilities		3,337	3,337
		14,761	17,755
Net current assets		101,523	104,832
Total assets less current liabilities		109,896	114,607
Non-current liabilities			
Lease liabilities		4,794	4,794
		4,794	4,794
NET ASSETS		105,102	109,813
Capital and reserves			
Share capital		4,158	4,158
Reserves		100,944	105,655
TOTAL EQUITY		105,102	109,813

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2023

	(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 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
At 1 April 2022	4,158	197,993	(104,902)	30,483	(1,325)	126,407
Loss and total comprehensive expense for the period	-	-	-	-	(3,456)	(3,456)
At 30 September 2022	4,158	197,993	(104,902)	30,483	(4,781)	122,951

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, a substantial shareholder of the Company.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2023

	Six months ended 30 September	
	2023	2022
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Net cash generated from operating activities	3,926	9,257
Net cash generated from investing activities	–	999
Net cash used in financing activities	(3,414)	(15,123)
Net increase/decrease in cash and cash equivalents	512	(4,867)
Cash and cash equivalents at beginning of the period	5,933	7,180
Cash and cash equivalents at end of the period, represented by bank and cash balances	6,445	2,313

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2023

1. GENERAL

The Company was incorporated 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 2023. 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 2023.

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 2023. 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 2023

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

	Six months ended 30 September 2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Red wine	22,953	27,125
White wine	3,860	6,303
Sparkling wine	9	45
Spirits	2,299	7,304
Sake	44	142
Other products	354	299
	29,519	41,218

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.

No revenue is derived from a single customer of the Group which amounted for over 10% of the Group's total revenue.

4. FINANCE COSTS

	Six months ended 30 September 2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Interests on: Bank borrowings	121	268
	121	268

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2023

5. INCOME TAX CREDIT

	Six months ended 30 September	
	2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Current tax – Hong Kong Profits Tax	–	–
Deferred tax	–	(19)
	–	(19)

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 2023 and 2022.

6. LOSS FOR THE PERIOD

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

	Six months ended 30 September	
	2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Staff costs including directors' emoluments		
Salaries and other benefits	3,649	3,521
Sales commission	66	154
Retirement benefits scheme contributions	140	151
Total staff costs	3,855	3,826
Depreciation	1,230	881

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2023

7. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2023 (six months ended 30 September 2022: Nil).

8. LOSS PER SHARE

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

	Six months ended 30 September	
	2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Loss:		
Loss attributable to owners of the Company, used in the basic loss per share calculation	(4,711)	(3,456)
	'000	'000
Number of shares:		
Weighted average number of ordinary shares used in basic loss per share calculation	3,326,000	3,326,000

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

9. TRADE RECEIVABLES

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

	30 September 2023 (unaudited) HK\$'000	31 March 2023 (audited) HK\$'000
0 to 30 days	1,966	3,300
31 to 60 days	94	110
61 to 90 days	105	1,540
91 to 180 days	2,208	459
181 to 365 days	6,424	3,463
Over 365 days	1,171	508
	11,968	9,380



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2023

10. TRADE PAYABLES

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

	30 September 2023 (unaudited) HK\$'000	31 March 2023 (audited) HK\$'000
0 to 60 days	1,489	850
Over 365 days	836	851
	2,325	1,701

11. BANK BORROWINGS

	30 September 2023 (unaudited) HK\$'000	31 March 2023 (audited) HK\$'000
Unsecured import loans	2,733	4,000
	2,733	4,000

As at 30 September 2023 and 31 March 2023, the bank borrowings were guaranteed by the Company.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2023

12. 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 2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Sales to related parties		
– Mr. Cheung Chun To	6	–
– Ms. Cheung Wing Shun (Note i)	6	–
– Major Times (HK) Co. Limited (Note ii)	6	–
	18	–
Lease payment in respect of warehouse paid or payable to Health Sunrise Limited (Note iii)	1,200	1,162
Lease payment in respect of office paid or payable to Major Talent Limited (Note iv)	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.

(b) Compensation of key management personnel

	Six months ended 30 September 2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Short-term benefits	1,190	1,493
Post-employment benefits	26	36
	1,216	1,529

13. APPROVAL OF FINANCIAL STATEMENTS

These condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 24 November 2023.



BUSINESS REVIEW AND OUTLOOK

According to the Report from Trading Economics in September 2023, retail sales in Hong Kong increased by 10.1% year-on-year in September of 2023, slowing from an 11% rise in the previous month. This was the smallest gain since January 2023. The retail trade growth for department stores also slowed from 11.4% in August 2023 to 9.2% in September 2023. According to the report from Hong Kong Census and Statistics Department, sales rose faster for other consumer goods (32.6% vs 26.2%) while rebounded sharply for food, alcoholic drinks & tobacco (13.1% vs -3.7%). On a monthly basis, retail sales decreased 2% in September 2023, slipping further from a revised 1.6% drop in August 2023. According to the Trading Economics global macro models and analysts expectations, the year-on-year growth of retail sales in Hong Kong is expected to 12% by the end of the third quarter in 2023. 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 released by the "Report on Monthly Survey of Retail Sales" in September 2023 by the Census and Statistics Department, the value of total retail sales by type of retail outlet increased from approximately HK\$254.8 billion for the nine months ended 30 September 2022 to approximately HK\$302.3 billion for the nine months ended 30 September 2023, representing an increase of approximately 18.6%. For alcoholic drinks and tobacco segment, the value of total retail sales increased from approximately HK\$1.3 billion for the nine months ended 30 September 2022 to approximately HK\$2.7 billion for the nine months ended 30 September 2023, representing an increase of approximately 202.0%.

During the six months ended 30 September 2023, the Group's revenue decreased by 28.4% to approximately HK\$29.5 million (2022: HK\$41.2 million). The decrease was mainly due to the decrease of the sales of red wine from approximately HK\$27.1 million for the six months ended 30 September 2022 to approximately HK\$22.9 million for the six months ended 30 September 2023.

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 2023.

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 decreased by approximately 28.4% from approximately HK\$41.2 million for the six months ended 30 September 2022 to approximately HK\$29.5 million for the six months ended 30 September 2023.

Gross profit

Gross profit of the Group decreased by approximately 25.8% from approximately HK\$5.0 million for the six months ended 30 September 2022 to approximately HK\$3.7 million for the six months ended 30 September 2023. The change was mainly attributable to the decrease of revenue of the Group for the six months ended 30 September 2023.

Promotion, selling and distribution expenses and administrative expenses

Promotion, selling and distribution expenses of the Group decreased by approximately 14.6% from approximately HK\$5.2 million for the six months ended 30 September 2022 to approximately HK\$4.5 million for the six months ended 30 September 2023. The change was mainly attributable to the decrease in rental expense.

Administrative expenses of the Group increased by approximately 27.4% from approximately HK\$5.0 million for the six months ended 30 September 2022 to approximately HK\$5.8 million for the six months ended 30 September 2023.

Depreciation of property, plant and equipment

The depreciation on property, plant and equipment of the Group increased by approximately 39.6% from approximately HK\$881,000 for the six months ended 30 September 2022 to approximately HK\$1,230,000 for the six months ended 30 September 2023.

Finance costs

Finance costs of the Group decreased by approximately 54.9% from approximately HK\$268,000 for the six months ended 30 September 2022 to approximately HK\$121,000 for the six months ended 30 September 2023. It was mainly resulted from the decrease in bank borrowings for the six months ended 30 September 2023.

Income tax expense

Income tax expense for the Group was approximately HK\$19,000 for the six months ended 30 September 2022 whereas income tax credit was approximately nil for the six months ended 30 September 2023. The decrease was mainly due to the decrease of estimated assessable profit during the six months ended 30 September 2023 as compared to the corresponding period in 2022.

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\$3.5 million for the six months ended 30 September 2022, whereas loss and total comprehensive expense was approximately HK\$4.7 million for the six months ended 30 September 2023.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2023 (six months ended 30 September 2022: Nil).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

	30 September 2023 (unaudited)	31 March 2023 (audited)
Current assets (HK\$'000)	HK\$116,284	HK\$122,587
Current liabilities (HK\$'000)	HK\$14,761	HK\$17,755
Current ratio	7.88	6.90

The current ratio of the Group at 30 September 2023 was approximately 7.88 times as compared to that of approximately 6.90 times at 31 March 2023. It was mainly resulted from the approximately 32% decrease in bank borrowings as compared to that as at 31 March 2023. At 30 September 2023, the Group had total bank and cash balances of approximately HK\$6.4 million (31 March 2023: approximately HK\$5.9 million). At 30 September 2023, the Group's gearing ratio (represented by the sum of lease liabilities and bank borrowings divided by equity) amounted to approximately 10.34% (31 March 2023: approximately 12.9%). 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 2023 and 31 March 2023, 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 2023 (31 March 2023: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2023, the Group employed a total of 23 full-time and 1 part-time employees (31 March 2023: 23 full-time and 1 part-time employees) respectively. The staff costs, including Directors' emoluments, of the Group were approximately HK\$3.9 million for the six months ended 30 September 2023 (six months ended 30 September 2022: HK\$3.8 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 2023, 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 2023, 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)	975,859,600 shares	29.34%
Mr. Cheung Chun To	Interest of Spouse (Note 1)	11,140,000 shares	0.34%

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 975,859,600 shares held by Silver Tycoon Limited. Ms. Lin Shuk Shuen, being the spouse of Mr. Cheung Chun To, beneficially owns 11,140,000 shares in the Company. As a consequence, Mr. Cheung Chun To is deemed to be interested in 986,999,600 shares in the Company.

Save as disclosed above, as at 30 September 2023, 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 2023, 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)	975,859,600 shares	29.34%
High State Investments Limited	Beneficial Owner (Note 2)	524,640,400 shares	15.77%
Ms. Lin Shuk Shuen	Interest of Spouse and Beneficial Owner (Note 3)	986,999,600 shares	29.68%
Mr. Leung Chi Kin Joseph	Interest in controlled corporation (Note 2)	524,640,400 shares	15.77%
Ms. Ma Pui Ying	Interest of Spouse (Note 4)	524,640,400 shares	15.77%
Mr. Zheng Huanming	Beneficial Owner	480,000,000 shares	14.43%
Ms. Lai Wai Kong	Beneficial Owner	446,000,000 shares	13.41%

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 975,859,600 shares held by Silver Tycoon Limited.
2. Mr. Leung Chi Kin Joseph beneficially owns the entire shareholding interests in High State Investments Limited. Therefore, Mr. Leung Chi Kin Joseph is deemed to be interested in the 524,640,400 shares held by High State Investments Limited.
3. 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 11,140,000 shares beneficially owned by her.
4. Ms. Ma Pui Ying is the spouse of Mr. Leung Chi Kin Joseph and is therefore deemed to be interested in all the shares held/owned by Mr. Leung Chi Kin Joseph (by himself and through High State Investments Limited) by virtue of the SFO.

Save as disclosed above, as at 30 September 2023, 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 2023 Annual Report. During the six months ended 30 September 2023, 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 2023.

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 2023 or at any time during the six months ended 30 September 2023.

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 2023.

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 10 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 2023.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix 14 of the Listing Rule during the six months ended 30 September 2023 save for the deviation stated below:

According to the code provision A.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 2023. The Group did not have other plans for material investments and capital assets as at 30 September 2023.

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 2023, 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.

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 Mr. Ngai Hoi Ying, 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 2023.

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 2023 interim report will be dispatched to shareholders and available on the above websites in due course.

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

Hong Kong, 24 November 2023