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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 FINANCE LEASE AGREEMENT**

### **FINANCE LEASE AGREEMENT**

The Board announces that on 30 September 2016, Major Cellar (as vendor and lessee) on the one hand and Lessor A (as purchaser and lessor) on the other hand entered into the Finance Lease Agreement, pursuant to which Lessor A has agreed to purchase the Leased Asset from Major Cellar at a total purchase price of HK\$9,520,000 and to lease back the Leased Asset to Major Cellar for a term of five years from the Lease Commencement Date, subject to the terms and conditions of the Finance Lease Agreement.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios as set out in Rule 14.07 of the Listing Rules in respect of the Finance Lease Agreement are 5% or more but all of them are less than 25%, the Finance Lease Agreement constitutes a discloseable transaction of the Company and is therefore subject to the announcement requirement under Chapter 14 of the Listing Rules.

## **INTRODUCTION**

The Board announces that on 30 September 2016, Major Cellar (as vendor and lessee) on the one hand and Lessor A (as purchaser and lessor) on the other hand entered into the Finance Lease Agreement, pursuant to which Lessor A has agreed to purchase the Leased Asset from Major Cellar at a total purchase price of HK\$9,520,000 and to lease back the Leased Asset to Major Cellar for a term of five years from the Lease Commencement Date, subject to the terms and conditions of the Finance Lease Agreement.

\* *For identification purposes only*

## **FINANCE LEASE AGREEMENT**

The principal terms of the Finance Lease Agreement are set out as follows:

### **Date**

30 September 2016

### **Parties**

- (1) Major Cellar (as vendor and lessee)
- (2) Lessor A (as purchaser and lessor)

Major Cellar is an indirect wholly-owned subsidiary of the Company and is principally engaged in the sale of premium wine and spirits products and the provision of personalised wine services in Hong Kong.

Lessor A is a company incorporated in Hong Kong and is principally engaged in the provision of finance leasing. To the best of knowledge, information and belief of the Directors, having made all reasonable enquiries, Lessor A and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

### **Sale and purchase and leaseback**

Pursuant to the Finance Lease Agreement, Lessor A has agreed to:

- (i) purchase the Leased Asset from Major Cellar at a total purchase price of HK\$9,520,000, representing the principal amount under the Finance Lease Agreement, which shall be payable by Lessor A to Major Cellar in cash; and
- (ii) lease back the Leased Asset to Major Cellar for a term of five years commencing on the Lease Commencement Date.

### **Lease Payment**

The total lease payment payable by Major Cellar under the Finance Lease Agreement consists of the principal amount of HK\$9,520,000 (i.e. the purchase price paid by Lessor A) plus interest payment at a fixed rate of approximately 5.5% per annum. The total contractual lease payment under the Finance Lease Agreement is estimated to be HK\$10,662,420. Major Cellar shall settle the lease payment in cash in sixty instalments on a monthly basis, and a total of six months' instalments shall be prepaid in advance upon execution of the Finance Lease Agreement.

## **Leased Asset**

The Leased Asset consists of Riva 75, a pleasure vessel licensed in Hong Kong.

## **Ownership of the Leased Asset**

Upon payment of purchase price by Lessor A under the Finance Lease Agreement, the ownership of the Leased Asset shall vest in Lessor A. Actual delivery of the Leased Asset by Major Cellar to Lessor A is not required while Major Cellar shall have the right to possess and use the Leased Asset. At the end of the lease period under the Finance Lease Agreement and subject to the due performance of Major Cellar's obligations under the Finance Lease Agreement, Major Cellar is entitled to repurchase the Leased Asset from Lessor A at a nominal price of HK\$800.

## **Guarantee**

Pursuant to the Finance Lease Agreement, the Company shall provide a liability guarantee in favour of Lessor A in respect of the liabilities and obligations of Major Cellar under the Finance Lease Agreement, limited to the amount of HK\$9,520,000 together with all interests, costs and other expenses.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE AGREEMENT**

The Company is an investment holding company. The Group is principally engaged in the sale of premium wine and spirits products and the provision of personalised wine services in Hong Kong.

The Company considers the transactions contemplated under the Finance Lease Agreement to be beneficial to the Group as the Group could obtain additional working capital on reasonable terms to support its business and operational activities while at the same time maintaining the certain rights over the Leased Asset and enjoying the income to be generated by the Leased Asset, which the Company considers will strengthen the cash flow of the Group.

The terms of the Finance Lease Agreement, including the lease payment and the interest rate, were arrived at after arm's length negotiation between the parties with reference to the value of the Leased Asset and the prevailing terms for comparable finance leases. The Directors consider that the terms of the Finance Lease Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios as set out in Rule 14.07 of the Listing Rules in respect of the Finance Lease Agreement are 5% or more but all of them are less than 25%, the Finance Lease Agreement constitutes a discloseable transaction of the Company and is therefore subject to the announcement requirement under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Board”	the board of Directors
“Company”	Major Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on The Stock Exchange of Hong Kong Limited
“connected person(s)”	shall have the meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Finance Lease Agreement”	collectively the sales agreement and the finance lease agreement both dated 30 September 2016 and entered into between Major Cellar (as vendor and lessee, respectively) on the one hand and Lessor A (as purchaser and lessor, respectively) on the other hand
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of the People’s Republic of China
“Lease Commencement Date”	the date on which the purchase price for the Leased Asset is paid by Lessor A to Major Cellar pursuant to the Finance Lease Agreement
“Leased Asset”	Riva 75, a pleasure vessel licensed in Hong Kong
“Lessor A”	Lessor A is a private limited liability company incorporated under the laws of Hong Kong, a party to the Finance Lease Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Major Cellar”	Major Cellar Company Limited, a company incorporated under the laws of Hong Kong and an indirect wholly-owned subsidiary of the Company, a party to the Finance Lease Agreement

“Percentage Ratios”	shall have the meaning as ascribed to it under Chapter 14 of the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board  
**Major Holdings Limited**  
**CHEUNG Chun To**  
*Chairman*

Hong Kong, 30 September 2016

*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. Wong Siu Ki, Mr. Ngai Hoi Ying and Mr. Yue Kwai Wa Ken.*