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Wan Leader International Limited
(萬勵達國際有限公司)
(Incorporated in Cayman Islands with limited liability)
(Stock Code: 8482)

DISCLOSEABLE TRANSACTION – ACQUISITION OF ASSETS

On 24 October 2018, after trading hours, Fu Yo, a wholly-owned subsidiary of the Company, entered into the Agreement with an aviation security service provider, which is an Independent Third Party according to the GEM Listing Rules, regarding the rental of two different large objects dual view scanners and the provision of related security screening services. The Company intends to obtain the ownership of the two scanners upon the expiry of the Term of the Agreement.

As one of the applicable percentage ratios as defined under Rule 19.07 of the GEM Listing Rules in respect of the Agreement exceeds 5% but is lower than 25%, the Agreement constitutes a discloseable transaction of the Company pursuant to Chapter 19 of the GEM Listing Rules.

INTRODUCTION

The board (the “**Board**”) of directors (the “**Directors**”) of Wan Leader International Limited (the “**Company**”) is pleased to announce that, as part of the implementation of the Company’s business strategies and future plans, particularly to improve our warehousing and related value-added services, Fu Yo Warehouse Logistics Company Limited (“**Fu Yo**”), a wholly-owned subsidiary of the Company, entered into a general service agreement (the “**Agreement**”) on 24 October 2018 (after trading hours) with an aviation security service provider (the “**Provider**”), which is an independent third party (“**Independent Third Party**”) according to the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”), regarding the rental of two different large objects dual view scanners (the “**Scanners**”) and the provision of related security screening services.

THE AGREEMENT

Execution Date:	24 October 2018
Term:	Five years commencing from 1 May 2019 (see below)
Parties:	Fu Yo and the Provider (the “ Parties ”)
Assets:	The two Scanners
Consideration for the Assets:	HK\$3,549,600 (see below)

The major terms of the Agreement are summarised below:

- (a) The term of the Agreement is five years (the “**Term**”), commencing from 1 May 2019, including a fixed term of four years and an additional one year term, which Fu Yo is entitled to extend;
- (b) The Provider shall (i) rent the two Scanners to Fu Yo (the “**Rental**”) and (ii) provide corresponding security screening services (the “**Services**”) at the Company’s facilities during the Term;
- (c) Fu Yo shall pay a monthly rent in the sum of HK\$61,000 for the Rental during the first four years of the Term and a monthly rent in the sum of HK\$51,800 during the fifth year of the Term (the “**Rental Payments**”);
- (d) Fu Yo shall pay service charges for the Services according to the terms and conditions of the Agreement (the “**Service Charges**”); and
- (e) Upon expiry of the Term, subject to, among other terms and conditions of the Agreement, the full settlement of all sums or charges due under the Agreement, the titles to the two Scanners shall be transferred to Fu Yo.

The terms of the Agreement, including the Rental Payments and the Service Charges, had been agreed after arm’s length negotiation between the Parties with reference to the market value of the two Scanners and the prevailing market rates for the rental of comparable equipment and the provision of comparable services. The payments of the Rental Payments and the Service Charges would be satisfied by the Company and/or Fu Yo through their internal resources.

OWNERSHIP OF THE ASSETS

The Company intends to obtain the ownership of the two Scanners upon the expiry of the Term and considers that the Agreement is in a lease-to-own nature in relation to the two Scanners. Particularly, upon the expiry of the Term, subject to the terms and conditions of the Agreement, the ownership of the two Scanners shall be vested in Fu Yo.

As the aggregate of the Rental Payments payable by Fu Yo to the Provider during the Term under the Agreement, thus the consideration, shall be HK\$3,549,600, the Directors consider that the value of the two Scanners to be approximately HK\$3,549,600.

INFORMATION ABOUT THE PROVIDER

The Provider is a limited liability company established under the laws of Hong Kong and principally engaged in the provision of aviation security services.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the Provider and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR THE TRANSACTION

The Company provides logistic services, including freight forwarding and warehousing services, to the customers.

The Company considers that the acquisition of the two Scanners should provide a good opportunity for the Company to offer new screening services to its existing and potential customers.

Particularly, the two Scanners should be capable to, *inter alia*, (i) handle bulk and break-bulk cargo screening, (ii) provide horizontal and vertical views of a screened object, such that inspection time would be shortened and (iii) provide high-quality images that would meet the relevant requirements of the airport authorities and customs regulations. Through utilising the two Scanners and the Services, the Company would be able to provide new security screening services to its customers that should satisfy the relevant regulations for air cargo screening. The Company considers that the acquisition of the two Scanners is consistent with the Company's business strategies to improve our warehousing and related value-added services.

Our Directors are of the view that the terms of the Agreement are fair and reasonable and are in the interests of the Company and the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios as defined under Rule 19.07 of the GEM Listing Rules in respect of the Agreement exceeds 5% but is lower than 25%, the Agreement constitutes a discloseable transaction of the Company pursuant to Chapter 19 of the GEM Listing Rules and are therefore subject to notification and announcement pursuant to Chapter 19 of the GEM Listing Rules.

The Directors note that the transactions contemplated under the Agreement may or may not have any material impact on the financial performance of the Company. Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
Wan Leader International Limited
Mr. Loy Hak Yu Thomas
Chairman and Executive Director

Hong Kong, 24 October 2018

As at the date of this announcement, the executive Directors are Mr. Loy Hak Yu Thomas, Mr. Loy Hak Moon, Mr. Lo Wing Sang and the independent non-executive Directors are Mr. Ng Kam Tsun, Dr. Wu Ka Chee Davy and Dr. Chow Ho Wan Owen.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. Our Directors, have made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website of the Stock Exchange at <http://www.hkgem.com> and Stock Exchange's website at www.hkexnews.hk "Latest Company Announcement" page of the for seven days from the date of its posting. This announcement will also be published on the website of the Company at www.wanleader.com.