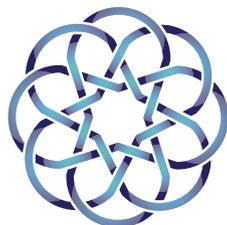


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力世紀有限公司

WE SOLUTIONS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 860)

**MEMORANDUM OF UNDERSTANDING
IN RELATION TO
THE PROPOSED ESTABLISHMENT
OF A JOINT VENTURE COMPANY
FOR COOPERATION IN RELATION TO ELECTRIC VEHICLES**

The Board is pleased to announce that on 24 April 2018, the Company has entered into a non-legally binding memorandum of understanding with Shanghai Alliance Investment Ltd.* (上海聯和投資有限公司) in relation to the proposed establishment of a joint venture company in the PRC focusing on, amongst other things, the development and production of electric vehicles in the PRC.

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of WE Solutions Limited (“**the Company**”) and, together with its subsidiaries, the “**Group**”) is pleased to announce that on 24 April 2018 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Shanghai Alliance Investment Ltd.* (上海聯和投資有限公司) (“**SAIL**”) in relation to the proposed establishment of a joint venture company (the “**JV Co**”) between them (the “**Parties**”, and each a “**Party**”) which will be based in Shanghai, the People’s Republic of China (the “**PRC**”).

The JV Co is expected to assist the ShanghaiTech University (上海科技大學) (“**ShanghaiTech**”) in establishing a centre for adaptive system engineering (自適應系統工程中心) (the “**CASE**”). The JV Co will also be involved in the assembling of automobiles for crash tests to be conducted in the PRC, based on the Blade (“**Blade**”) design of Divergent Technologies, Inc. (“**Divergent**”) in which the Company is indirectly interested and which is principally engaged in the research, design, development and manufacture of three-dimensional (“**3D**”) printed structures for automobiles.

The JV Co is also expected to (i) develop electric vehicles (“**EV**”) for taxis, online hailing services and business-to-business services, based on Divergent’s technologies; and (ii) establish a production line for producing EVs with a production capacity of 10,000 EVs per annum, using Divergent’s automobile structure design and 3D printing technology (the “**Production Line**”).

MAJOR TERMS OF THE MOU

Ownership Structure

The JV Co shall be owned by the Company and SAIL as to 50% and 50% respectively upon establishment. The Parties shall contribute capital into the JV Co in proportion to their respective equity holdings in JV Co in stages, and the JV Co shall be involved in various business activities in stages.

Business

The Parties shall contribute an aggregate of USD58 million (or the equivalent amount in RMB) in two stages to the JV Co in proportion to their respective equity holdings.

During the first stage, the CASE shall be equipped with the ability to assemble automobiles based on Divergent’s Blade design. Assembled automobiles shall be used for crash tests to be conducted at the China Automobile Technology and Research Centre (中國汽車技術研究中心) (the “**CATARC**”) in Tianjin, the PRC. Data collected from such automobile assembly and crash tests shall be shared with the JV Co and Divergent for their business use.

Divergent shall provide all parts for the Blade design, including 3D printed nodes of vehicle chassis, other structural and non-structural parts of the body of the vehicles, and non-body parts of the vehicles.

The JV Co shall take the lead in forming a working group to explore with Divergent a proposal for developing EVs for taxis, online hailing services and business-to-business services by Divergent (the “**Proposal**”) with the goal to develop capabilities in producing white label products for business customers.

At the second stage, the JV Co shall implement the Proposal and establish the Production Line.

Once equipped with the capability in producing EVs, the JV Co shall apply for the licence for producing EVs, and SAIL shall take the lead in such application process.

Further Financing

If additional capital is needed for further establishment of the JV Co's facilities for developing its automobile production capacity, the Parties may contribute further capital into the JV Co in proportion to their respective equity holdings in the JV Co in such aggregate amount and at such time as the Parties may agree. Subject to the consent by the Parties, the JV Co may also invite parties other than the Parties to participate in an equity fund raising.

The establishment and the terms relating to the affairs of the JV Co are subject to the Parties entering into legally binding agreement(s). The MOU is not legally binding save for primarily the exclusivity provision, where none of the Parties are to negotiate or enter into contracts with any other person relating to cooperation in projects on the same or similar business activities proposed to be carried out by the JV Co, and certain confidentiality obligations.

BACKGROUND OF THE PARTIES

SAIL is a private equity and venture capital arm of the Shanghai Municipal Government. The firm invests in high-tech, media, entertainment, infrastructure, financial services, telecommunication, healthcare, life science, and emerging low-carbon sectors such as clean energy, new material and eco-environment protection. SAIL was founded in 1994 and is based in Shanghai, the PRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, SAIL and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

The Group is an integrated EV solutions provider. Its business expanded to include the EV business since 2017 through its investments in Divergent and its acquisitions of the majority stake in GLM Co., Ltd, which operates in Japan with a primary focus on delivering EV power system technology (i.e. battery cells, battery packs and battery management system) and engineering packaged solutions (i.e., chassis, and vehicle control units) to customers. In addition, the Group acquired 20.51% of EV Power Holding Limited (“**EV Power**”) in March 2018. EV Power and its subsidiaries are principally engaged in the provision of electric vehicle charging solutions and standards in Hong Kong

and the PRC. In 2017, the Group had also introduced new investors, including Mr. Ho King Man Justin, Mr. Li Ka Shing, Ms. Solina Chau Hoi Shuen and T.C.L. Industries Holdings (H.K.) Limited, and brought in new management team to lead the development of the EV business.

REASONS FOR THE PROPOSED ESTABLISHMENT OF THE JV CO

Leveraging on the Group's expertise on EVs and engineering solutions, the Board believes the proposed establishment of the JV Co represents an opportunity for the Group to further cement its foothold in the EV industry.

The Company believes that the proposed establishment of the JV Co will be an important step for the Group to expand into its target market in the PRC. It will also help integrate the EV related businesses that the Group previously acquired or invested in, and form a platform extending to critical parts of the EV value chain, such as producing and supplying EVs for taxis, online hailing services and business-to-business services, on top of EV production, which represent part of the Group's strategy of building a full EV value chain.

The Group proactively adopts a comprehensive approach to develop EV business to capture the emerging market opportunities. With the strong support from the new long-term investors, the Group is well-prepared to devote more resources to the development of EV business, and strive to implement its vision of becoming a world leading EV solutions provider.

As at the date of this announcement, no definitive legally-binding agreement in relation to the establishment of the JV Co has been entered into by the Group. As the transactions contemplated under the MOU may or may not materialise, the shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company. The Company will make further announcement(s) on the establishment of the JV Co as and when appropriate in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By order of the Board
WE Solutions Limited
Ho King Fung, Eric
Chairman

Hong Kong, 25 April 2018

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Ho King Fung, Eric (Chairman) and Mr. Ho Chi Kit; one non-executive Director, namely Mr. Zhang Jinbing (Co-Chairman); and four independent non-executive Directors, namely Mr. Tam Ping Kuen, Daniel, Mr. Teoh Chun Ming, Mr. Heung Chee Hang, Eric and Mr. Peter Edward Jackson.

** For reference purposes only, the Chinese names of PRC entities and bodies and certain terms in Chinese have been translated into English in this announcement. In the event of any discrepancies between such Chinese names and terms in Chinese and their English translation, the Chinese version shall prevail.*